TESTIMONY OF
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AARP FOUNDATION

SUBMITTED TO THE

U.S. SENATE SPECIAL COMMITTEE ON AGING
FIELD HEARING
AT
JEFFERSON STATE COMMUNITY COLLEGE, SHELBY CAMPUS

ON

BACK TO WORK: EMPOWERING ALABAMA'S AGING WORKFORCE

November 30, 2018

Senator Jones and Members of the Committee, AARP Foundation thanks you for inviting us to testify at today's hearing to discuss how we can empower and equip older workers to meet the challenges and opportunities presented by an aging workforce.   With nearly 38 million members nationwide, and more than 440,000 members in Alabama, AARP is the nation's largest nonprofit, nonpartisan organization dedicated to empowering Americans 50 and older to choose how they live as they age. I am Lori Strauss, the Workforce Programs Manager for AARP Foundation. AARP Foundation works to end senior poverty by helping vulnerable older adults build economic opportunity and social connectedness. As AARP's charitable affiliate, we serve AARP members and nonmembers alike.

The workforce, along with the population at large, is aging. Thirty-five percent of the U.S. workforce will be age 50 or older by 2022,[1] and older workers 50+ already make up about one-third (32%) of Alabama's workforce.[2] In fact, the labor force participation rate for *retirement-age* workers has increased substantially, and they are now the fastest growing age group in the workforce. Between 2014 and 2024, the number of workers ages 65-74 is expected to grow by 4.5%, and the number of workers 75 and older is expected to grow by 6.4%, compared to, for example, a growth rate of about 1% for workers 25-44.[3] Ideally, employer practices and public policies can maximize older workers' choices to work if they need or want to or to retire with economic security; most hope to keep working or combine work with retirement.

Age Discrimination Remains a Significant Challenge for Older Workers

Despite their increasing presence in the workforce, older workers still face barriers. In particular, according to AARP's new survey of workers 45 and older, about six in 10 report that they've seen or experienced age discrimination in the workplace; of this group, 91% say that age discrimination is common.[4] Older workers are less likely to become unemployed than younger workers, but once jobless, older workers experience far longer spells of unemployment than younger workers, and age discrimination is likely the main reason why.

Age discrimination in hiring is the most difficult form of discrimination to detect and prove. Yet, employers are engaging in a number of increasingly blatant, age-related practices that directly or indirectly discriminate against older workers, such as:

- Help wanted ads that specify a requirement for "digital natives" or a *maximum* number of years of experience (e.g., no more than 10 years);
- Recruitment efforts for entry-level positions that are limited to college campuses and require a college-affiliated email address in order to apply;
- The use of algorithms and "big data" for to screen out older applicants, or even prevent older jobseekers from seeing ads for job postings in the first place;[5]

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[1] Aon Hewitt, *A Business Case for Workers Age 50+: A Look at the Value of Experience* 18 (AARP, 2015), *at* https://www.aarp.org/content/dam/aarp/research/surveys_statistics/general/2015/business-case-workers-age-50plus.doi.10.26419%252Fres.00100.001.pdf.

[2] *AARP State Fact Sheet: Alabama* (AARP, 2018).

[3] *See* M. Toossi & E. Torpey, *Older workers: Labor force trends and career options*, Chart 2 (May 2017), *at* https://www.bls.gov/careeroutlook/2017/article/older-workers.htm.

[4] R. Perron, *The Value of Experience: Age Discrimination Against Older Workers Persists* 3-4 (2018), *at* https://www.aarp.org/content/dam/aarp/research/surveys_statistics/econ/2018/value-of-experience-age-discrimination-highlights.doi.10.26419-2Fres.00177.002.pdf [hereinafter *VOE Survey*].

[5] J. Angwin, N. Scheiber, *et al.*, "Facebook Job Ads Raise Concerns about Age Discrimination," *N.Y. Times* (Dec. 20, 2017), *at* https://www.nytimes.com/2017/12/20/business/facebook-job-ads.html.

- Online job applications that have drop-down menus that stop at dates that block older workers from applying, or that deter older applicants by asking for date of birth.

AARP Foundation Litigation, our legal advocacy unit, is challenging several of these practices in court. Unfortunately, over the years, the courts have failed to interpret the Age Discrimination in Employment Act (ADEA) as a remedial civil rights statute; instead, courts have too often narrowly interpreted its protections and broadly construed its exceptions.

AARP and AARP Foundation believe that it is well past time to update and strengthen the ADEA so that it can respond to the challenges facing today's older workers in today's workplace. An excellent first step to restoring a level playing field for older workers would be for Congress to pass the bipartisan Protecting Older Workers Against Discrimination Act (POWADA, S. 443), sponsored and cosponsored respectively by the Ranking Member and Chairman of this Committee. More than 90% agree of older workers that older Americans should be protected from age discrimination *just as strongly* as they are protected from discrimination on the basis of race, sex, national origin or religion.[6] Congress should pass this bill as soon as possible.

The Need and Demand for Workforce Programs Serving Older Workers Is Growing

Unemployed workers age 50 and older experience the longest spells of joblessness and constitute the majority of the long-term unemployed. In addition to overcoming hiring discrimination, finding and keeping a job today requires new and varied skills, especially related to technology and computer literacy — skills that displaced older workers don't always have or may not feel confident about. With record low unemployment and other labor force challenges, employers need the skills from this hidden talent pool. They are asking for help to reach, recruit, and train older workers.

AARP Foundation's Workforce Programs, SCSEP and BACK TO WORK 50+, equip low-income and unemployed older adults with the skills and resources to regain and maintain employment.

SCSEP, short for the Senior Community Service Employment Program, is authorized by the Older Americans Act and funded by the U.S. Department of Labor (DOL). SCSEP provides training assignments designed to enhance skills that enable low-income, unemployed older adults to obtain unsubsidized employment. The program focuses especially on people who have significant barriers to employment.

To be eligible, participants' income can't exceed 125 percent of the federal poverty guideline ($15,075). While in the program, participants receive critical income support through subsidized wages (at the minimum wage) for 20 hours per week, which helps them to stay out of poverty.

AARP Foundation has administered this program for 50 years, and currently supports over 80 sites across the country, including the state grants for Florida, Washington, and Missouri. In 2017, AARP Foundation SCSEP served more than 14,000 people, partnered with over 3,600 community agencies, and placed more than 3,300 participants in jobs. Reports show that 75% of participants who obtained employment in the past were still working 9 months later. However, at current funding levels, SCSEP only serves about 1% of eligible low-income older jobseekers.[7]

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[6] *VOE Survey*, *supra* n. 4, *at* 9.

[7] K. Mikelson, *The Role of SCSEP in Workforce Training for Low-Income Older Workers* 10 (Urban Inst., 2017), *at*
https://www.urban.org/sites/default/files/publication/94371/2001575_scsep_white_paper_finalized_2.pdf

BACK TO WORK 50+ was born out of this deep knowledge of the needs and challenges faced by older workers, and our daily experience that many more people need assistance than we could help with SCSEP.

We designed BACK TO WORK 50+ to provide the training, coaching and job seeking tools older adults need to compete with confidence for today's in-demand jobs. The programs are delivered through a trained contact center, and a network of local workforce development organizations. We recruit unemployed people interested in full-time employment to call our toll-free number and register for Smart Strategies Workshops in their area. Local partners host the 2-hour "7 Smart Strategies for 50+ Jobseekers" workshops where they show jobseekers how to use these strategies in their own job search in their own communities. At the end of the workshop, they explain options for continued job search support, including a BACK TO WORK 50+ Coaching program that includes individual coaching, job search classes, computer skills assessment and skill building, referrals to occupational training, and employer access opportunities. AARP Foundation helps with outreach and provides the infrastructure, tools, and resources and limited grant funding, while local organizations contribute staffing, expertise, and employer engagement.

Our national contact center responds to calls from over 20,000 workers age 50 and older from all across the country each year. Our trained associates connect callers to local American Job Centers and SCSEP programs and mail them copies of the guides if there is not a BACK TO WORK program within 25 miles of where they live.

We launched the program in 2013, by first piloting it with an American Job Center and non-profit partners, and then expanding to community colleges. In 2014, we partnered with the American Association of Community Colleges and the Walmart Foundation to adapt the BACK TO WORK 50+ model to community colleges. Since then, the model has been embraced by American Job Centers, community colleges, and non-profit workforce development organizations. We use a Salesforce.com CRM to track our results. We believe this program supports our target audience of unemployed workers age 50 and older seeking full-time work. Since 2013, we have hosted over 1200 Smart Strategies Workshops, which were attended by over 15,000 older workers:

- 73% were unemployed and 84% were low income and age 50 or older.
- 32% were African American, 48% were White, 7% identified as multicultural, and just over 2% identified themselves as Asian American or Native American. In addition, 16% reported they were Hispanic.
- 72% were women and 28% were men.
- 77% of the workers who reported employment held full-time jobs with an average wage of over $15/hour.

BACK TO WORK 50+ at Jefferson State Community College in Birmingham, Alabama[8] is anchored in the Career Center and Workforce Education Departments at Jefferson State Community College. The Directors from both departments collaborate to recruit 50+ job candidates, facilitate the Smart Strategies for 50+ Jobseekers Workshops, and select applicants

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(citing D. Kogan, H. Betesh, et al., *Evaluation of the Senior Community Service Employment Program (SCSEP)* (DOL, 2012), *at* https://wdr.doleta.gov/research/FullText_Documents/ETAOP_2013_03.pdf)).
[8] BACK TO WORK 50+ is a national network with a local focus. A full list of the local projects is appended at the end of this statement.

for the Coaching Program that helps people find and enroll in computer skills and occupational training programs.

In 2017, the team supported over 200 50+ job candidates through workshops and coaching. Many also enrolled in short-term training programs such as certified production technician, welding, pharmacy tech, medical billing, medical assistant, and Microsoft certification. The Coaching Program is 3 days/week coaching for 3 week. They offer 3 levels of computer training depending on the job candidate's needs. In their 2017 program year, 55% of job candidates who completed core services reported employment. Those 64 workers reported an average wage of over $14 an hour.

AARP Foundation's goal is to help low-income 50+ workers by continuing to build alliances with organizations like Jefferson State Community College who share our commitment to older workers, and want to imbed AARP Foundation Workforce Program tools and resources into their workforce development programs to better serve the needs of their area's aging workforce.

Congress also has a role in helping to ensure that older workers have the skills and training to find and keep jobs. The next Congress will start working on reauthorization of the Workforce Innovation and Opportunity Act (WIOA), which expires at the end of FY 2020. WIOA contained some improvements, but the upcoming WIOA reauthorization will provide Congress with the opportunity to ensure that the job search and workforce development needs of older workers are more effectively addressed.

Conclusion

Today, Americans are healthier than earlier generations, often working into their 70s and beyond, and they continue to have big dreams and goals. It is now common to see four or five different generations working side by side in the workplace, and that trend will continue in the future, as long as we don't let outdated stereotypes about age or other barriers to get in the way. Much can and needs to be done to ensure that older workers can continue to make valuable contributions to their employers, the economy, and the nation as a whole. AARP Foundation again thanks this Committee for inviting us to testify and we look forward to answering any questions you may have.

BACK TO WORK 50+ is a national network with a local focus. In 2018, the BACK TO WORK 50+ Network included 16 organizations in 26 locations in twelve states.

BACK TO WORK 50+ Network Member	City	State
Jefferson State Community College	Birmingham	AL
Pima Community College	Tucson	AZ
Sacramento Employment and Training Agency	Sacramento	CA
Arapahoe/Douglas Works! Workforce Center	Centennial	CO
DC Department of Employment Services	Washington	DC
CareerSource Brevard	Cocoa	FL
Santa Fe College	Gainesville	FL
Youth Co-Op, Inc. (6 sites)	Miami	FL
Chicago Cook Workforce Partnership (5 sites)	Chicago	IL
Mott Community College	Flint	MI
A-B Tech Community College	Asheville	NC
Tri-County Technical College	Pendleton	SC
Austin Community College	Austin	TX
Workforce Solutions Borderplex	El Paso	TX
Tarrant County College District	Fort Worth	TX
AARP Foundation-Richmond	Richmond	VA