

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Department of Employment Services**



**Fiscal Year 2018-2019**  
**Performance Oversight Hearing**

**Testimony of**  
**Dr. Unique Morris-Hughes**  
**Director**

**Before the**  
**Committee on Labor and Workforce Development**  
**Council of the District of Columbia**  
**The Honorable Elissa Silverman, Chairperson**

John A. Wilson Building  
Room 500  
1350 Pennsylvania Avenue, NW  
Washington, DC 20004  
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10:00 AM

Good morning, Chairperson Silverman, councilmembers, and staff of the Committee on Labor and Workforce Development. I am Dr. Unique Morris-Hughes, Director of the Department of Employment Services (DOES). On behalf of Mayor Muriel Bowser and over 700 DOES employees, I am here to provide an overview of the agency's accomplishments and performance during Fiscal Year 2018 and Fiscal Year 2019, to date.

Mayor Bowser's Fiscal Year 2018 budget made investments that supported our efforts to deliver on the promise of our shared DC values. These efforts include creating economic opportunity, making our neighborhoods safer, and providing more effective and efficient government services. We continue that effort as we work each day to fulfill our commitment to provide every District resident a fair shot at opportunity. Specifically, DOES is tasked with establishing the strategic direction of the District's workforce system, and providing residents with the tools necessary to become employable and sustain long-term employment. As the Director of DOES, my focus is on expanding access to programming, bridging the gap between education and workforce development, and supporting underserved populations as they move toward new career opportunities and economic prosperity. It is an honor to share the great work we do on a daily basis and our vision for the future of the agency.

I am proud to say that the Bowser Administration remains committed to connecting Washingtonians to quality employment opportunities, workforce training, and wraparound services and has empowered DOES to lead the way. DOES is constantly assessing our efforts, learning from past challenges, and duplicating our methods of success. As a District, we have achieved great success over the last four years; but we know that there is more work to be done.

## **FY19 Improvements and Vision Forward Plan**

DOES is constantly striving to provide top-notch workforce development services to both residents and businesses. We know that residents and businesses are more likely to achieve their potential when we create opportunities for them to reach and achieve economic stability, afford them access to information and quality educations, ensure they are treated with dignity and respect throughout the process, and remove barriers to their success. To that end, during my confirmation hearing in November 2018, I shared my Vision Forward Plan for DOES and the DC workforce system. In the plan, I highlighted the following key components as focus areas for moving DOES forward:

- Building inclusive prosperity by promoting the District’s human capital;
- Bridging the gap between education and workforce development;
- Expanding access to DOES programs by enhancing customer service;
- Developing an integrated and tiered service delivery model; and
- Developing and implementing a comprehensive data and system infrastructure strategy.

Recognizing that underserved communities are less confined by geographical boundaries than they are impacted by cultural influences, DOES has placed an increased emphasis on providing tailored support that to meet the needs of the customer, rather than a broad-stroke approach to service delivery and training. For instance, this week, the Bowser Administration expanded access to information on employment and business services by launching “DOES en Español,” the District’s new full-service Spanish language workforce website that gives Limited-

English Proficient (LEP) and Non-English Proficient (NEP) Spanish speakers the opportunity to learn about agency programs and services. The new website is one of many ways the District is making good on our promise at a fair shot for all.

In addition to providing tailored supports, DOES is strengthening our partnerships with the business community. We are adopting a more robust business services strategy that not only showcases the District's qualified and industry-trained residents, but ensures that there are employers ready and willing to hire them. This, we hope, will create an environment where it is easier to foster relationships between District government agencies and neighborhoods where business development is occurring. To that end, our Business Services Group (BSG) and our Rapid Response and Workforce Opportunity Tax Credit teams will be rolled into the Office on Talent and Client Services. The Office on Talent and Client Services will be a one-stop business solution for workforce services, while also emulating best practices of head-hunting firms. A new Associate Director has already been hired to help lead this effort, and we are actively recruiting individuals with sales, client services, and human capital experience to round out the team.

One of our most successful avenues to connecting residents to employment is through apprenticeships, an effort we are increasing in FY19. At the same time apprentices develop and advance their skills while earning a living wage, employers are able to diversify their workforce and increase productivity. DC apprentices, on average, earn an annual salary of \$60,000 after completing their apprenticeship. For every dollar spent on apprenticeships, employers see a \$1.50 in return on investment. Apprenticeships not only provide tremendous returns on

investment for businesses, but they are unmatched in their benefits to participants. Currently, there are 2,000 District residents proudly serving as apprentices across the city, particularly in Wards 7 and 8 where 60 percent are actively engaged.

Lastly, for the remainder of FY19, we are continuing our efforts to improve all aspects of DOES's customer service. Every resident of the District of Columbia who walks through our doors at headquarters, one of our American Job Centers (AJCs), or our DC Infrastructure Academy will be greeted with respect and quality customer service throughout their employment services journey. There will be no doubt that we are here to help them identify and reach their career potential.

### **FY2018 Performance**

One of the agency's major accomplishments last fiscal year was the continued reduction of the District's unemployment rate. In January 2015, when Mayor Bowser was sworn into office, the District's adjusted unemployment rate was 7.4 percent. According to the U.S. Bureau of Labor Statistics, the DC unemployment rate for December 2018 was 5.5 percent, meaning the District decreased unemployment under the current Administration by 1.9 percentage points. In the same timeframe, 6,300 fewer DC residents were unemployed, which led to a 29.6 percent decrease in the number of initial monthly unemployment insurance benefits claims filed. Unemployment in Wards 7 and 8 has decreased by 4.6 percentage points and 4.7 percentage points, respectively, and 42,300 jobs have been added to the District economy.

In FY18, the Bowser Administration also made great strides in workforce development, allocating budget funding for the creation of new ways to introduce residents to high-paying, high-demand careers, including those in information technology and infrastructure. In 2017, approximately 50 percent of the District's infrastructure job openings, an industry where the average hourly wage is \$50 per hour, went unfilled. Recognizing this lost opportunity, and as part of her Safer Stronger DC initiative, Mayor Bowser promised to create an infrastructure career training epicenter east of the Anacostia river where District residents could receive training and be connected to infrastructure industry employers. DOES delivered and Mayor Bowser opened the DC Infrastructure Academy (DCIA) at 2330 Pomeroy Road in Ward 8 in March of last year. Since then, over 1,500 District residents have completed DCIA training applications and nearly 600 have completed infrastructure training programs related to energy, transportation, construction and safety, and information technology. And, furthering the District's commitment to combating violence with access to economic stability, Mayor Bowser announced last month an additional \$4 million investment in the DCIA to advance workforce development opportunities and infrastructure career training.

In partnership with the Deputy Mayor of Greater Economic Opportunity, DOES also delivered the 1000 Opportunities Initiative in June 2018 to combat persistent unemployment and violence in the District of Columbia. The goal of the Initiative was to connect 1,000 DC residents with compensated work and training experiences over the summer. I am proud to report that we exceeded that goal, matching nearly 1,200 Washingtonians with job opportunities through Project Empowerment, DC Quick Path to Transportation, Back to Work 50+ programs, and more.

Our Division of State Initiatives (DSI), which oversees key local programming,—including Project Empowerment, DC Career Connections, the LEAP Academy, and Back to Work 50+ DC DOES, had a record breaking year of success. Project Empowerment continues to be a national leader in providing returning citizens with the support services and workforce development tools needed to secure permanent employment or achieve entrepreneurship. In FY18, the program saw a record 421 participants move from subsidized work experience into unsubsidized employment. It is the first time in the program’s history that the number of participants securing unsubsidized work exceeded 400 in a single fiscal year. The DC Career Connections (DCCC) program had another successful year as well. DCCC connects out-of-school and unemployed young adults with opportunities to gain valuable work experience, skills training, individualized coaching, and support to obtain employment. In FY18, the program placed 182 participants into subsidized employment, and 141 participants secured unsubsidized employment.

With regard to our federally-funded programs, the Workforce Innovation and Opportunity Act (WIOA) Program Year 2017, which ran from July 1, 2017, through June 30, 2018, DOES met all performance measures. Most significantly, we increased capacity and our number of in-demand industry contracts (growing from 13 to 63 training providers). In FY18, we also increased outreach to underserved communities through our Workforce on Wheels team and mobile unit, in addition to serving 28,875 unique customers through the AJCs.

Our work with District youth was also highly successful last year. The Mayor Marion S. Barry Summer Youth Employment Program (MBSYEP) continued its past success and expanded

to include youth aged 22 to 24. Last summer, over 900 youth ages 22 to 24 gained work experience during the six-week summer program, which included working with career coaches, engaging in professional development sessions, financial literacy training, and targeted hiring events. Finally, in 2018, we introduced DC Talent Leaders, a new arm of the summer youth employment program that gives participants ages 18 to 24 a fair shot at a sustainable career, while expanding the pool of host employers.

In January 2018, the Office of Wage-Hour (OWH) enhanced the Employer Self-Service Portal (ESSP), which allowed businesses to upload tipped wage data on multiple businesses at once. Throughout the fiscal year, OWH educated businesses on wage-hour laws and promoted dialogue with constituents by hosting quarterly industry roundtables; mailing informational materials to over 1,300 businesses with tipped employees; meeting with payroll companies to advise thousands of District employers on proper payroll processing; and conducting webinars to train businesses on tip portal submissions. In building upon the success of FY17, OWH processed 638 wage theft claims, collected \$438,721 in backed wages, and collected \$215,434.82 for the Wage Theft Fund in FY18. OWH reached this achievement by putting into practice a robust, proactive enforcement model to increase compliance with labor laws and agreements. OWH also began reworking how it manages First Source contracts. Our primary goal is for businesses to meet First Source requirements so that DC residents that are trained and skilled have the opportunity to secure in-demand jobs first. OWH is focused on protecting District workers and being a good steward to businesses. The District's labor standards practices are so highly regarded across the labor standard community, that OWH's Associate Director,

Michael Watts, was appointed as the first African-American President of the Interstate Labor Standards Association in its 50-year history.

Under the Bowser Administration, DOES has distributed rebates and reductions in upfront assessment costs to insurance companies and self-insured employers in good standing. In all, nearly \$20 million in rebates will be distributed to insurance companies and self-insured employers on a pro rata share across the Mayor's two terms. Additionally, the Hearings and Appeals Office's Administrative Hearings Division (AHD) erased a backlog and conducted all formal workers' compensation administrative hearings within 120 days, which is less than the statutory mandate for issuing decisions. Further, our Compensation Review Board (CRB) streamlined the workers' compensation appeals process to within 45 days, delivering determinations within 60 days. CRB received the highest deference given by the D.C. Court of Appeals when it cited DOES as a standard bearer in its reporting.

The Office of Unemployment Compensation (OUC) is currently modernizing the Unemployment Insurance Benefits and Tax legacy systems to create a unified platform. During FY18, the Unemployment Insurance (UI) Benefits Division exceeded the Acceptable Level of Performance in the First Payment Promptness and Nonmonetary Determination Time Lapse Core Measures in all four quarters. Additionally, the UI Tax Division successfully passed the 2018 U.S. Department of Labor (USDOL) Field Audit Review. Each audit reviewed in the sample received a score of 100 percent, a first in the history of the District's UI tax program. The District's UI Tax Division is the only jurisdiction in USDOL's Employment & Training Administration Region 2 to successfully pass the Effective Audit Measure (EAM) for the past three consecutive years.

Finally, the Office of Paid Family Leave (OPFL) is continuing to make progress in standing up the District's Universal Paid Leave program. The contract for the tax collection system has been approved, Council will soon receive the final tax regulations, and great strides have been made in onboarding staff. With the progress being made, DOES is confident that it will meet the July 1, 2019, statutory requirement.

### **Closing**

In closing, the District has taken the steps and implemented the appropriate workforce development strategies to positively impact programmatic outcomes. Businesses are more readily engaged, and residents are increasing their skills and entering the workforce prepared to work at increasing rates. The District is bringing more and more residents into the economy and allowing them full and successful participation in the District's growth and development.

As DC's labor administrator, I believe we must look at our population, underemployed and unemployed, as individuals with untapped or underutilized human capital. As a newly appointed workforce board trustee for the US Conference of Mayors, I will work to ensure our ideals of focusing on highlighting strengths over weaknesses are at the forefront of the national conversation on workforce service delivery. It is imperative that we stop defining a person by the barriers they have to overcome and begin focusing on their resiliency and how it has kept them moving forward. Under my direction, DOES is creating a more transparent, data-centric, and high-performing agency with programs that are more accessible, consistent, and flexible to meet the needs of all residents. DOES will also be bold in our risk-taking, bet bigger on the strength of

our workforce system, and make failure matter both in-house and with our training partners. I have challenged the DOES staff to play a leadership role in our agency; I have empowered them to submit new programming ideas, develop new ideas to improve service, and to continue to learn new skills; and have pushed them to find ways to make DOES greater. As DOES presses forward, we will continue working to support Mayor Bowser's vision and help create pathways to the middle class.

Chairperson Silverman and councilmembers, I look forward to working with you all in our effort to provide every Washingtonian a fair shot to achieve their career dreams. Thank you for the opportunity to testify. I am available for any questions you may have.