

**Testimony by Dr. Anne J. Matula and
Mr. Robert (Bob) E. Parker
CRAFT TRAINING CENTER OF THE COASTAL BEND**

Senate Committee on Business and Commerce

The Craft Training Center of the Coastal Bend is an innovative and unique educational organization established and funded by industry partners to meet their workforce needs for skilled craft workers.

Mission Statement

The Associated Builders and Contractors Merit Shop Training Program, Inc., DBA Craft Training Center of the Coastal Bend strives to meet the shared manpower needs of the Community, Business, and Industry by providing education for the construction industry. Our goal is to develop craft professionals who are experienced and capable under the highest professional standards.

Brief History

The Craft Training Center of the Coastal Bend (CTCCB) began as a trust of the Associated Builders and Contractors Texas Coastal Bend Chapter in 1987, and the organization was named the ABC Merit Shop Training Program, Inc. The organization was later renamed CTCCB and was designated a 501 (c) (3) non-profit educational organization by the Internal Revenue Service on January 19, 1989. The post-secondary organization is led by a Board of Directors comprised of owner and contractor representatives.

Current Activities

The CTCCB provides craft training programs with two apprenticeship programs registered with the Department of Labor's Bureau of Apprenticeship and Training (BAT) and seven accelerated craft training programs accredited by the National Center for Construction Education and Research. The current programs offered to Adults are:

- U.S. Department of Labor Registered Apprenticeship: Electrical
- U.S. Department of Labor Registered Apprenticeship: Plumbing
- Welding: Shielded Metal Arc Welding (SMAW)
 - Gas Tungsten Arc Welding (GTAW)
 - Metal Inert Gas Welding (MIG)
 - Flux-cored Arc Welding (FCAW)
 - Submerged Arc Welding
- Pipefitting
- Instrument Fitter and Instrument Technician
- Mobile Crane Operations
- Scaffold-building
- Industrial Painting/Coating
- Field Safety/Safety Technology

All programs are accredited through the National Center for Construction Education and Research (NCCER), the industry standard for skilled crafts in the United States. The NCCER program (associated with the University of Florida) includes a specific curriculum for each craft validated by subject matter experts; the Contren[®] Learning Series textbooks (Pearson Publishing Co.); and an Automated National Registry that maintains individual training/certification records for every student completing the NCCER curriculum through an Accredited NCCER Training and Assessment Center, such as the Craft Training Center of the Coastal Bend (CTCCB). NCCER training and/or certification for skilled craft workers are often contractual requirements for construction and maintenance workers in the petrochemical industry. Therefore, all CTCCB students are drug-tested before enrollment and random-tested throughout their enrollment, consistent with the industry requirements. Industry standards for safety are also a critical part of the curriculum

The CTCCB, located at 7433 Leopard Street, Corpus Christi, TX 78409, conducts its training and assessment activities in two primary buildings. The main building, a state-of-the-art facility completed in December 2007, consists of 34,000 square feet and includes administrative offices, the Assessment Center, classrooms, and laboratory facilities for welding (68 booths), electrical, pipefitting, plumbing, and instrumentation. A second building, the Annex, contains approximately 7,000 square feet configured into two classrooms, storage, and laboratory space. No tax monies were used to construct these training facilities; they were financed by local industry and local contractors. The CTCCB is located on a large campus that includes the Contractors Safety Council of the Coastal Bend, the offices of the Associated Builders and Contractors, Texas Coastal Bend Chapter, and a medical clinic. The City of Corpus Christi through its Type A Board has approved a \$1.75 million grant, which will be matched by \$1.75 from industry to be given to the CTCCB to expand its facilities for training in other needed crafts: Boilermaking, Pipeline, etc.

The CTCCB is directly supported by the following industry owners/contractors who contribute manhour-based funding to the CTCCB on a monthly basis:

1. Brand Services
2. CITGO
3. DuPont Corpus Christi
4. Flint Hills Resources
5. LyondellBasell
6. Repron, Inc.
7. Valero

The direct funding by industry subsidizes the tuition fees so that one semester (84 clock hours) of Welding, including all supplies and textbooks, only costs an adult student \$425. If the industry subsidy were not provided, the tuition cost would be \$1,900 per semester in order for the CTCCB to cover all the costs of the program.

Evening classes for adults have been offered at the CTCCB since 1989 in a 14-week semester format with classes meeting two evenings a week for three hours each evening. Fall, Spring, and Summer semesters are taught each year. Beginning in 2008, high school classes were begun with a supporting grant from the local workforce board, and currently students from 14 high schools travel daily to the Craft Training Center site for instruction in the following crafts:

1. Welding
2. Pipefitting
3. Electrical
4. Instrumentation
5. Construction Management.

In addition to the onsite instruction at the Craft Training Center, the CTCCB also works with four other high schools where students are taught by CTCCB instructors at the respective high school locations. Eight other high schools use their own teachers to teach NCCER-accredited courses through the CTCCB (See Attachment A). Based on current enrollment, we project that for the school year ending in May 2012, over 300 high school students in seven South Texas counties will receive NCCER instruction through the CTCCB. All students enrolled at the CTCCB are concurrently enrolled in Del Mar College and receive Adult Continuing Education Credit for their program work, in addition to their NCCER credits.

Follow-up Employment

Upon program completion, both the adult and high school programs lead to immediate employment in the occupation for which they were trained. Within three months of completion of the adult evening program, 97% to 100% of the completers/graduates are employed in their field at wages well above the minimum wage. In our area, beginning wages for adult graduates range \$17 to \$24 per hour, depending on the craft.

High school students who have been in our program and go to work immediately upon graduation from high school can expect to earn from \$9 to \$19 per hour plus overtime. These 18-year-olds can expect raises within 6 months to one year as they gain work experience. Our 2010 and 2011 high school graduates are all earning a minimum of \$1,000 per week (net) up to \$1,800 per week (net). Currently, we have 132 high school Juniors and Seniors, and their plans after high school are as follows:

Full-time work immediately	72.73%
Joining the military	6.06%
College/part-time work	<u>21.21%</u>
Total	100.00%

Without the CTCCB high school program, these students would not be prepared for any skilled work after high school graduation and would, in all likelihood, be earning minimum wage as unskilled labor.

Shortage of Skilled Craft Workers

All demographic workforce research points to declining numbers of skilled craft workers primarily because of the retirement of the “baby-boomers.” Over the next ten years, the shortage of skilled craft construction workers will require 185,000 new workers annually nationwide to meet demand (Construction Labor Research Council [CLRC]). The more immediate workforce crisis is 1.5 million new workers needed by 2014 as projected by the Fails Management Institute (FMI). A national shortage of 1.5 million craft workers will negatively impact Texas on a more serious proportion because we are seeing a steady and sometimes dramatic

increase in demand for these skilled workers—demand greater than the national trends. The Texas demand is projected to be proportionately greater than the national demand for these reasons:

1. The Texas refining and chemical plant sector of the petrochemical industry is the largest employer of these skilled craft workers in the ongoing maintenance of these facilities across Texas and the nation.
2. Add to that consistent demand, the construction of new facilities such as the Las Brisas Power Project, TPCO (Tianjen, China), and Cheniere’s LNG plant in the Corpus Christi area as well as other major projects statewide which will require large additional numbers of the same skilled craft workers.
3. The Eagle Ford Shale play has dramatically increased the need for these skilled craft workers in the exploration and production sector of the petrochemical industry, compounding the effects of the shortage by attracting skilled workers away from other existing industry sectors.

While Texas anticipates a greater proportional demand for these workers as compared to the National average, Texas has a larger population under the age of 18 than most other states and greater than the National average. However, the overall Texas high school dropout rate meets and/or exceeds the National dropout rate; therefore, we must change this trend and redirect our potential dropouts into skilled craft training so that they become an emerging workforce who are prepared to meet the skilled craft demands of Texas industry and commerce. Not only will this redirection better serve the economic development of Texas, but skilled craft workers earn wages equal to and well above those wages earned by four-year college graduates (“Pathways to Prosperity,” Harvard University).

Decline of Workforce Programs in Texas High Schools

Over the last 20 years, there has been a sharp decrease in the number of Texas public school programs that prepare students for entering the skilled crafts workforce upon high school graduation. Therefore, we see many students in our Adult Evening Post-Secondary program who have had no workforce training in high school.

These Career and Technical Education (CTE) programs in Texas high schools have declined for several reasons:

1. Too expensive for individual school districts to maintain
2. Difficult to keep programs up-to-date and relevant to changing workplace requirements
3. Very few teachers available who have craft skills/licenses, experience, and certifications who also meet SBEC certification requirements
4. Emphasis has shifted to preparing all students for four-year degrees (unrealistically)
5. New 4 x 4 requirements will eliminate opportunity for students to take these courses

Just as Texas Education Agency has developed the Career Paths for High School Students (Architecture/Construction, Manufacturing, etc.) so that there is a focus on preparation for the workforce, the opportunity for students to follow those Career Paths is *seriously curtailed* by the stringent course requirements of the 4 x 4 curriculum. Most high schools operate on a 7-period day, and over four years of high school, there are not enough instructional periods to accommodate the requirements of 4 x 4 and taking workforce courses on their selected Career Paths.

Recommendations for Legislative Action

1. Grant school districts the right for increased local control over curriculum so that the 4 x 4 requirements can be relaxed for those students wanting to enter the workforce immediately after high school graduation. Then, those students will be able to receive workforce training while in high school.
2. Redirect a portion of existing workforce funding into innovative high school programs that train high students for skilled craft work.
3. Enact legislation that will enable industrial employers to provide internship experiences for high schools students, i.e., under 18 years of age.