

Testimony Regarding HB 2196

Submitted by:

**Paul Leger, Senior Vice President, Workforce Development Program
Allegheny Conference on Community Development
425 Sixth Avenue, Suite 1100
Pittsburgh, PA 15219**

**Accompanied by:
Raven Sams, 11th Grade
Curtis Brown, 12th Grade**

**City Charter High School
The New Clark Building, 9th Floor
717 Liberty Avenue
Pittsburgh, PA 15222**

Tuesday, March 25, 2008

Dear Chair and Members of the House Finance Committee:

I'm pleased to support HB 2196 on behalf of the Allegheny Conference on Community Development. The Youth Employment Incentive Tax Credit fits well with the Conference's view of developing the workforce of the 21st century.

For 250 years, Pittsburgh has been a place for firsts. When George Washington and General John Forbes stood surrounded by forest and named this region Pittsburgh, they could not have foreseen that this place would become the glassmaking center of America, the model for industrial production and management through Andrew Carnegie, wellspring of artists like Andy Warhol and Gertrude Stein, home of the world's first commercial radio station, and a major player in entertainment with America's first Nicolodeon movie theater. Today, we are a leader in organ transplants, robotics and advanced manufacturing. And with the recent expansion of Westinghouse in the region, we are on our way to being the nuclear engineering capital of the world. All of the progress bon in Pittsburgh reflects the inventiveness and industriousness of the people who live and work here.

While we are well into building a bright economic future here, we are faced with a challenge: like the rest of the country, we have a shortage of younger workers with the skills needed to move into 21st century careers. The Allegheny Conference believes that the Pittsburgh Regional Compact is a model for solving this long-range problem.

Through the Compact, regional employers are linked in partnerships with schools to make sure that all students know what careers are available in the region and what

training path is needed to succeed in those careers. One major component of Compact participation is for employers to offer internships to high school students. Our view of internships is different from the old concept of make-work programs which had little or no learning component. An internship is a real-life working experience with an employer that allows a student to see what their life would be like working with a real company. Good internships involve the school for connection to the curriculum and mentoring by professionals who supervise and monitor the student's progress. Internships give companies the opportunity to observe students and, in some case, to keep them connected to that company until they finish school so that the company can hire them.

But competition for desirable internship spots is strong. We want southwestern Pennsylvania to become the model of how we train the workforce of tomorrow. In order to do this, we need to let employers know that offering internships can be personally rewarding for their employees, can help increase the company's bottom line and can help solve the company's worker shortage. In a recent survey by the Conference, we found that there were 2069 internships offered in the sample of 54 high schools in the 10 county region. That's only 4% of the high school students. That's a start, but we would like to see every student have the opportunity to "try out" careers during their formative years so that they know what the options are for their futures, and we would like every employer to become connected to the educational system so that they can help form a curriculum that supplies skilled workers and allows those companies to expand. We want our students to stay here and work here. And we want our companies to stay here and expand here. Internships can help to meet those outcomes. And expanded and effective internships are one component of making our region a world leader in modern education.

Let me demonstrate the power of internships for high school students. City Charter High School, a Pittsburgh Regional Compact member school in downtown Pittsburgh, wants every student to experience an internship as part of the regular curriculum. Curtis Brown, a senior at City High, interned at General Dynamics/VIZ. Curtis' projects included quality assurance for a new software release, and tracking and documentation of company projects and action items. Company representatives said that Curtis "is delivering value to the organization by completing actual project tasks." As a result of the internship, Curtis expects to become a software engineer and he knows what the work is really like, and what steps are needed to become a top-level professional.

Raven Sams is an 11th grader at City High. She interned with Neighborhood Legal Services Association. She accompanied attorneys to court and the lawyers, who teach in local law schools, found her papers of a quality competitive with those of their students. Raven got requests for assistance from other NLSA staff members because she was so competent and interested in the work. Now she understands the full range of careers in law and she's considering law school.

Providing incentives to employers to spend money on internships at the high school and college level will provide a new real-world type of education. We want Pittsburgh to be a leader in that learning revolution. If we can assist employers with tax credits, we may even be able to see high school students be paid for the work they do as interns.

Remember that pay for work is the ultimate certification of professional value in America, and good internships can really benefit the company bottom line, thereby justifying an investment in paying the intern. While payment for college interns is relatively common, pay for high school students is still difficult to achieve. HB 2196 can be an impetus for offering payment and giving students an even greater sense of the value of their internship

And from the Commonwealth's perspective, HB 2196 is not a give-away of revenue or a budget buster. It is an investment in tax revenue in the future. Our interns will stay here, work here and pay taxes here for a long time. They will more than reimburse the credits given to those smart employers who hire interns.

Thank you, committee members, for considering my testimony. I encourage you all to watch the progress of the Pittsburgh Regional Compact as a model of real-world education and economic development.