

Committee on Natural Resources U.S. House of Representatives

Chairman Doc Hastings

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Witnesses Stress the Important Role of Education in America's Energy Renaissance

WASHINGTON, D.C. – Today, the House Natural Resources Subcommittee on Energy and Mineral Resources held an <u>oversight hearing</u> entitled *"American Energy Jobs: Opportunities for Education."* This hearing examined the new job opportunities that the American energy boom has created and how America's educational institutions are creating a skilled and educated workforce that's crucial to the continued growth of the energy sector.

Since 2003, America's increase in energy production has added more than 400,000 direct energy jobs to the U.S. economy and millions more indirect jobs. This rise in energy production is only occurring on state and private lands while energy production is rapidly decreasing on federal lands. This underscores the need for important legislation like <u>H.R.</u> <u>4899</u>, the *Lowering Gasoline Prices to Fuel an America that Works Act*. This common sense legislation will ensure that this growth in energy production continues well into the future on federal, state, and private lands. This would only heighten the need for more educational programs to prepare the next generation of students to meet growing workforce needs in the energy sector.

"This boom in energy development is generating a demand for skilled workers in a broad array of economic sectors, which poses both opportunities and challenges for policymakers, businesses and job seekers. Simply looking at the employment needs in energy producing states shows that these jobs, in oil and gas specifically, are plentiful and skilled workers are in demand," said Subcommittee Chairman Doug Lamborn (CO-05). "Universities and community colleges are working hand in hand with the energy industry to tailor their programs to the needs of the industry. This not only includes creating and reinforcing the requisite educational programs, but offering students internship and apprentice opportunities in the industry and bringing in highly qualified industry professionals to teach students the skills needed to succeed in the industry."

Witnesses at the hearing shared their personal accounts of how educational institutions are meeting this increased demand for skilled labor and how this surge in American energy production is creating well-paying jobs for this growing workforce.

<u>Mark Volk</u> is President of Lackawanna College, in Scranton, Pennsylvania, the center of energy production in the Marcellus Shale where the unemployment rate in the area is *"one*

of the lowest in the Commonwealth at just 5.4% - down from 8.2% in 2009." When the development of the Marcellus Shale started, Lackawanna College "identified the technical human resource needs of the oil and natural gas industry – and began to position the school to take a leadership position in educating future workers according to those needs." Since then, "Lackawanna College today is placing students at a near 100% rate within the industry in positions paying well above salaries typically seen in our region." Students completing these programs are entering a workforce where average annual wages are just over \$80,000 in Pennsylvania.

Duane Hrncir, Provost and Vice President of Academic Affairs at the South Dakota School of Mines and Technology in Rapid City, Utah, echoed the need for these programs and the growth of students who are enrolling saying "enrollment is growing at about 5% spurred largely by our reputation for providing strong technical skills with leadership opportunities." Hrncir touted the school's "98% placement rate" for graduates and how it is "one of the top ten schools in the country for return on investment for a college education" when the "average starting salary of our baccalaureate graduates is over \$62,000" – well above the national average. Underscoring the need for institutions like the South Dakota School of Mines and Technology are advancing knowledge and preparing leaders in science and engineering for American industry, including the booming energy industry that surrounds the upper mid-west."

<u>Matthew M. Kropf</u>, Ph.D., Assistant Professor of Petroleum Technology and Energy Science and Technology at the University of Pittsburgh at Bradford, called education *"the single factor responsible for enabling the current energy boom"* adding that there is a *"significant need for skilled oil and gas workers to replace an aging workforce."* In order to meet the demands of a growing energy industry, Kropf told the Subcommittee that the University of Pittsburgh has *"updated the curriculum to include courses pertinent to today's energy field, namely advanced drilling and completions technologies and geology of sedimentary shale basins."* Kropf agreed with other witnesses that *"the current energy boom has created significant educational opportunities in both the short and long term."*

<u>Seth N. Lyman</u>, Ph.D.,Director of the Bingham Entrepreneurship and Energy Research Center at Utah State University, added that the *"recent growth in oil and natural gas production has created unique challenges and opportunities for the institutions of higher education that serve our region."* Recognizing the community's recent increase in the demand for higher education and oil and gas development, Utah State University now offers *"38 degrees to more than 1,000 students who attend the Uintah Basin Campus"* while adding *"specific training programs to further support the oil and gas industry: petroleum engineering, safety, and well-control, to name a few"* at the Uintah Basin Applied Technical College.

Marlene S. McMichael, CPM, is the Associate Vice Chancellor of Government Affairs at Texas State Technical College (TSTC). McMichael highlighted how TSTC has the "will and the capacity to train students to fill the growing demand for skilled workers." The energy industry plays a significant role in Texas' economy. McMichael added that "Texas has been a leader in the energy sector; however, recent growth in that sector has been exponential. That means skilled workers from all backgrounds will have access to a wide array of jobs. TSTC's partnerships with industry ensure that students graduate with job-ready skills which ###

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