



BEFORE THE HOUSE GOVERNMENT ACCOUNTABILITY & OVERSIGHT
COMMITTEE

Interested Party Testimony on House Bill 512
March 14, 2018

Chairman Blessing, Ranking Member Clyde and members of the House Government Accountability and Oversight Committee, my name is Keith Lake and I am the Vice President of Government Affairs for the Ohio Chamber of Commerce. I am here today to testify as an interested party on House Bill 512, which reorganizes Ohio's education system by creating a new cabinet level agency called the Ohio Department of Learning and Achievement, to be comprised of the Ohio Department of Higher Education, Governor's Office of Workforce Transformation, and the PreK-12 policy functions of the Ohio Department of Education.

The Ohio Chamber is the state's leading business advocate, and we represent nearly 8,000 companies that do business in Ohio. Our mission is to aggressively champion free enterprise, economic competitiveness and growth for the benefit of all Ohioans.

Today, the state's unemployment rate remains low, and Ohio is a national leader in economic development activity, with one study ranking Ohio as the No. 1 state for job creation in business investment projects in 2016.

However, one critical problem persists for many Ohio employers: they cannot find qualified workers for the jobs they have available right now, and they have serious concerns about filling the jobs they plan to create in the future. In fact, in the quarterly survey of business leaders the Ohio Chamber of Commerce Research Foundation began conducting last year, attracting and retaining qualified employees is consistently one of the top issues of concern to business leaders.

The Ohio Chamber recognizes that HB 512 is a comprehensive piece of legislation that touches on the whole of Ohio's educational system. However, I am here testifying as an interested party in order to express support for how the bill would

impact workforce development, specifically. Better alignment of our education system to better prepare our workforce for both today and for the future is essential.

In testimony this committee heard at a previous hearing, a proponent of HB 512 stated that, “our current system makes collaboration between each level difficult and makes it too easy to blame perceived shortcomings on another level rather than working cooperatively to ensure that Ohio’s workforce and education systems are second to none. I see this bill as an opportunity to remove some of the silos which have kept us from operating at maximum effectiveness for quite some time.”

This is the opportunity the Ohio Chamber sees in HB 512, as well.

The bill would establish a clear pathway for the alignment between individuals and employers. This should result in Ohio’s education and talent development systems being more effective, agile, and accountable. The new Department of Learning and Achievement (DLA) would bring together under one roof the entities responsible for producing graduates with workforce-relevant skills – preK-12 and higher education – with the one charged with identifying the most urgent workforce needs of businesses and connect jobs seekers to information and training for these in-demand jobs – the Governor’s Office of Workforce Transformation.

By changing the structure of how Ohio administers its education and workforce programs and giving a single individual – the Director of DLA – management responsibility for all three currently siloed programs, HB 512 will mean clearer lines of authority and a common mission. We believe this streamlined decision-making process would be a positive step toward greater transparency and accountability and should result in operational efficiencies by limiting duplication of efforts and making it more likely the right hand knows what the left hand is doing. Further, it should help ensure resources are focused on the most effective initiatives and improve the return on all of our workforce investments.

While this opportunity to establish more collaboration that HB 512 represents should help all of the entities involved in preparing Ohioans to be job- or career-ready, the Ohio Chamber at the same time has one concern that we urge the legislature to address before passing the bill. The legislature should require that the budget for the new DLA, rather than simply allocating total departmental appropriations, should always separately identify by line item the proposed spending levels for each program – workforce programs, higher education, and primary and secondary education.

To be successful in preparing Ohioans of all ages for the jobs of the future, Ohio's education and workforce training system must excel at connecting students and job seekers to information and training for Ohio's in-demand jobs. HB 512 does not guarantee that our system will excel at this essential responsibility. However, the current approach falls short. By aligning and integrating PreK-12, postsecondary education and adult education, HB 512 is a step in the right direction and holds the promise of creating a more united system better able to prepare Ohioans for success in college, on the job, and in life. Thank you.