



HOUSE BILL 2 - TECHCRED PROGRAM

PROPONENT TESTIMONY

OHIO HOUSE INSURANCE COMMITTEE

APRIL 30, 2019

Chairman Oelslager, Vice-Chair Scherer, Ranking Member Cera and members of the Ohio House Finance Committee, my name is Chris Ferruso and I'm here on behalf of the nearly 22,000 governing members of the National Federation of Independent Business (NFIB) in Ohio to provide our support for House Bill 2. We commend Representatives Cross and Lepore-Hagan for introducing House Bill 2. Thank you for this opportunity to testify.

Workforce needs, including both filling open positions and finding skilled workers is our members' top concern. Based upon discussions I have had with members of this committee; I believe you are hearing the same message from employers in all of your respective legislative districts. House Bill 2 aims to address this concern for employers of all sizes.

House Bill 2 allows employers to seek reimbursement for training existing and potential new employees. As business owners across Ohio struggle to fill vacancies and find skilled workers, this bill empowers employers to front resources so employees can obtain the necessary training, ensuring their skill sets evolve to meet ever-changing demands.

As this committee has heard from the sponsors of the bill, and confirmed in a recent interested party meeting, this bill intends to create a simple, streamlined process for businesses seeking reimbursement for training. Candidly, a lot of our members do not access the existing menu of programs as the requirements to do so in some instances are overly cumbersome. We urge the sponsors, as this bill continues to work through the legislative process, to preserve a simple process by which the smallest of Ohio's businesses may take advantage and be encouraged to utilize.

We applaud the inclusion of a tiered system so our typical member who employs 20 or fewer, may be able to receive a portion of the appropriated dollars. In other programs, this has proven

challenging for our members. The swallowing up of all available resources by larger companies who may have an employee dedicated to accessing workforce dollars, leaves very little left for smaller enterprises. Please remember, a small business owner usually wears many hats. The tiered provision ensures that Ohio's entrepreneurs may access some of these resources.

NFIB also supports the Industry Sector Partnership Programs empowering industry-similar businesses, workforce development groups, and educational institutions, through grants, to collaboratively work toward the same goal of simultaneously meeting regional employment needs and building tomorrow's workforce.

We support the TechCred and Industry Sector Partnership Programs. We are pleased the substitute bill no longer mandates an increase in wages to access reimbursement and instead makes it a factor for consideration from the Director of the Development Services Agency. Our members are free market business owners, and the prior mandate provision may have served as a deterrent to some employers utilizing this program.

However, there is one caveat to our support. The as-introduced version of House Bill 166, the state operating budget, provides additional funding for these programs. We suggest evaluating if existing resources from a current workforce development program(s), as opposed to new spending, may be a more prudent means of funding. We look forward to continuing these discussions.

Thank you for the opportunity to provide our support and comments on House Bill 2. I would be happy to try and address any questions.