Sponsor Testimony: **HB 2 TechCred Program and Industry Sector Partnerships**

State Representative Jon Cross, 83rd Ohio House District
State Representative Michele Lepore-Hagan, 58th Ohio House District

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Chairman Zeltwanger, Vice-Chair Powell, Ranking Member Sobecki and members of the Ohio House Economic and Workforce Development Committee, on behalf of my joint sponsor Representative Lepore-Hagan, we are excited to sponsor and testify in support for the need of House Bill 2 – the TechCred program. This workforce development legislation is part of our bipartisan priority bills in the 133rd Ohio General Assembly to help address issues affecting economic growth and creating a stronger Ohio.

As you know, Ohio’s economy is quickly changing. To keep pace, businesses and employees need to be able to swiftly retool their skills to be able to participate in the growing economy. Ohio should be willing to assist those who want to enhance their skills.

House Bill 2 develops the TechCred program to support employers who provide current or prospective employees with credentials or certificates (microcredentials) that are industry recognized and beneficial to students and businesses in Ohio. This legislation will create a grant and reimbursement system to financially assist both businesses and individuals with attaining new certificates in high demand fields. In addition, a grant program is included to support regional industry sector partnerships.

Employers participating in the TechCred program shall be registered to do business in Ohio and is current on state taxes and environmental obligations. To apply for grant funds, the employer must identify all parties involved, identify cost of microcredentials, as well a commitment to providing a wage increase to each employee, upon completion of the credential or commit to hiring a prospective employee upon completion. Each employer shall receive at least $500 (five hundred dollars) but not more than $2,000 (two thousand dollars) for each microcredential. The Development Services Agency (DSA) will be tasked with prioritizing applications based upon qualifications established by the DSA director.

An individual may apply to DSA and find the application on the OhioMeansJobs website and the sites managed by DSA, the Ohio Governor’s Office of Workforce Transformation, and the Ohio Departments of Education and Higher Education. The maximum amount of a grant awarded under the program is $5,000 (five thousand dollars). The Ohio Department of Higher Education will ensure that the proper certificate programs are being utilized by those who receive grant money.

Industry sector partnerships are collaborations between one or more employers and a school district, institution of higher education or an Ohio technical center. The grant program can be used to hire staff to coordinate partnership activities, develop educational resources for the partnership, market the partnership and the opportunities it creates for workforce development, or other activities outlined in the program.

House Bill 2 will appropriate $35,000,000 (thirty-five million) over the biennium to support employers, individuals, and industry sector partners. With that said, microcredential assistance will be appropriated $30,000,000 (thirty million dollars) over the biennium, $15,000,000 (fifteen million) of which is being allocated for the businesses and $15,000,000 (fifteen million) for the individual awards. The businesses are set in brackets of 50 employees or less, 51-200 employees and 200+ employees. Each bracket has a minimum of $2,500,000 (two-half million), so it is evenly distributed to all sizes of businesses. The industry sector partnership will have an appropriation of $5,000,000 five million over the biennium.

In conclusion, this legislation is essential for Ohio’s workforce to become more attractive to both Ohio businesses, and to businesses looking to invest in Ohio. TechCred can be an application that evolves as the economy changes.

I encourage you to support our businesses and the hard-working citizens of Ohio and join me in supporting House Bill 2.