



1170 North Cassady Avenue
Columbus, OH 43219
PH#: (614) 258-0400 Fax: (614) 258-8331

May 21, 2019

The Honorable Chairman Mr. Dolan
& Ohio Senate Finance Committee
State House
Columbus, OH 43215

Re: Testimony with the Senate Finance Committee regarding the Ohio Workforce Revolving Loan Program

Honorable Chairman Mr. Dolan, Honorable Committee Members, and Guests:

Good morning,

My name is Richard M. Crockett, and I am the President & CEO of Capital Transportation Academy, a private commercial driver training organization, with corporate offices at 1170 North Cassady Avenue, in Columbus, OH.

I want to thank you for your time and for allowing me to speak on behalf of the OhioMeansJobs Workforce Development Revolving Loan Program.

In 2013, I was presented with an opportunity to start a commercial driver training academy. I have owned a full-service ground passenger transportation company since 1997, so in my due diligence efforts, as a transportation company owner, I considered the opportunity to be a great one. The demand for commercial drivers was on the rise, and the 4-week training program, with a \$40,000 job waiting on the other end, was very attractive. I was extremely excited. I knew we were going to have the opportunity to provide transformational career skills for members of our community.

What I was confronted with was 50 to 100 individuals showing up at my business door every month, with a desire to change their life as a commercial driver. There was only one problem. Many of them did not qualify for workforce development program grant dollars, for various reasons. A household income just above the qualifying range, being the most prominent. Our 4-week, 160-hour training program does not qualify for federal financial aid, and many of the perspective students lack the personal resources to fund their tuition, or creditworthiness to secure a private loan to pay for their commercial driver training program tuition. Most were left with few options and left my office very disappointed. This storyline played out, often, until we applied for participation in the Workforce Revolving Loan Program in early 2019. I knew we finally had the answer to one of the tuition funding problems facing our perspective students and had eliminated a barrier, for many of our perspective students achieving their dream of becoming a commercial driver. Not a hand-out, not a grant, but a loan. A loan that included the perspective student contributing as much of their own funds, as possible, for the opportunity to earn their commercial driver's license. Oh, by the way, achieving the in-demand career skill of a commercial driver after

just 4-weeks of training in 2019, now leads to transportation industry employment where a graduate can earn \$60,000 to \$70,000 annually, as starting wages, plus benefits. Yes, commercial driver wages are on the rise. I see it every day from the employers who recruit our graduates. Commercial drivers, with three (3) to five (5) years of experience, often earn \$60,000 to \$90,000 annually, plus benefits. Transportation Industry Analysts project nearly one (1) million new commercial drivers will need to be trained and hired over the next decade, just to keep pace with transportation industry demand. The average age of a commercial driver is 55, and the new entrants are not entering the field at the same rate of those retiring and exiting the industry.

Under the current workforce revolving loan program agreement, we can assist approximately 20 people per \$100,000 of workforce loans. Again, this is a loan, not a grant. The repayment of these loans can be reutilized to support the dreams of the next commercial driver. It should also be noted that many transportation industry employers have a tuition reimbursement program which pays a monthly benefit towards their employees outstanding CDL loans, thus mitigating the risk of loan default, and even further making the Workforce Revolving Loan program a great choice for those who qualify.

For every 20 commercial driver trainees we graduate through Capital Transportation Academy, which has a 96% graduation rate and a 90% job placement rate, approximately \$1.2M worth of payroll wages are generated annually.

Our commercial driver training program at Capital Transportation Academy really is changing lives daily. But we can't do it alone. We need the assistance of the Workforce Revolving Loan Program to help fund the tuition and the dreams of our students.

Without this program, many perspective students who have the desire and work ethic to succeed, will be unable to participate in this great career opportunity. The societal push to direct students to college and higher education has helped facilitated a shortage of individuals with certified vocational and career skills, including the skills trades and commercial driving. Due to the demand in the transportation industry and the availability of high paying commercial driving jobs with starting wages of \$60,000 to \$70,000, plus benefits, I submit to you the Workforce Revolving Loan Program not only warrants continued support and funding, but also the consideration of expansion so we can provide the necessary career skill education to members of our community in order to meet industry demands.

Again, I ask that you continue to support, and fund, the Workforce Revolving Loan Program so that we can continue to change the lives of the members of our community.

Thank you again for your time and consideration.

Richard M. Crockett
President & CEO
Capital Transportation, Inc. &
Capital Transportation Academy