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### **Senate Bill 1 - Proponent Testimony**

House Education & Workforce Development Committee  
David R. Zak, President & CEO  
Crawford Partnership for Education & Economic Development  
May 2, 2023

Chair Swearingen, Vice Chair Santucci, Ranking Member Ingram, and Members of the House Economic Workforce Development Committee, thank you for allowing me to provide testimony in favor of Senate Bill 1.

My name is David Zak, and I serve as the President & CEO of the Crawford Partnership for Education and Economic Development, a 501c3 public-private partnership that works as the economic, community, and workforce development agent for Crawford County, Ohio. I have over 27 years of experience in economic and workforce development, having previously worked at the Ohio Department of Development and served several local communities. I've also held positions in the Ohio Economic Development Association, including serving as the Northwest Ohio Director and Vice President, and currently serve as an instructor for the Ohio Economic Development Institute.

### **About Crawford County**

Crawford County is a rural micropolitan county in north central Ohio, with a population of 42,000. The county is located an hour north of Columbus, and 20 minutes from Marion and Mansfield. Despite its smaller size and rural location, Crawford County has 1400 companies that contribute \$2.5 billion to the state's economy annually. The county is known for its German heritage and hosts annual festivals such as the state's bratwurst festival and our own version of Oktoberfest. Manufacturing and healthcare are our two most important industries, with one in four workers employed in each sector. We also rank #4 among counties in Ohio for agriculture, with over 700 farms generating \$250 million in annual cash receipts. The county has active downtowns, two hospitals, and a branch campus of North Central State Community College.

### **Economic Development Success**

As you may know, we are seeing some historic results in economic development across the state of Ohio. Over the last two years, many companies, including Intel, Honda, LG, and Ford, have announced projects that will generate \$38 billion in new investment and transform the state with 56,000 new jobs and \$3.5 billion in associated new payroll. In Crawford County, we've been a part of that story. In March, we learned that we ranked in the top 4% for non-metro counties in the United States for economic development, with five major projects.

### **The Talent Crisis**

This has created a huge demand for talent, which is, and has been, the number one economic development challenge. We hear it day in, day out from business leaders, and the public- and private-sector members of our board continue to make it one of our organization's top priorities. There are more than 3,100 available jobs within 20 miles of the county seat and 174,000 open positions statewide. Unemployment remains at a historic low level, and there are not enough people to meet the demand despite rising wages.

### **Local Workforce Development Efforts**

In Crawford County, we haven't been sitting on our hands but have been actively working to try to meet the challenge head on. In 2011, we renamed the organization to the Crawford Partnership for Education and Economic Development to communicate our focus on workforce development. We worked with North Central State Community College to establish a new branch campus to address low education attainment. In 2017, we launched an award-winning online career platform called CommunityOpportunity.com to promote local career opportunities to students, and in 2020, we hired our first full-time staff member focused exclusively on workforce development. Despite these efforts, our workforce development problem continues to grow.

### **The Need for Change**

We believe that although local, regional, and state efforts have produced results, much more needs to be done to address the workforce development challenge in Crawford County and in Ohio. Failure to act and innovate soon could cause Ohio to lose its leadership position and fall behind other states, with the economy slowing down as companies struggle to find the talent they need. We see Senate Bill 1 as a bold and innovative structural move that will help position Ohio to continue growing and strengthening its economy. Here are the top five reasons why we support it:

- **Transformation:** The current system isn't sufficient for Ohio's economic growth, and a transformative effort is needed to improve workforce development and competitiveness.
- **Clarification:** Renaming the Ohio Department of Education to the Department of Education and Workforce clarifies the goal of education to prepare students for a career and grow Ohio's workforce.
- **Innovation:** Creating a Division of Career & Technical Education within the agency will drive innovation and allow for easier implementation of educational programming while emphasizing primary and secondary education.
- **Alignment:** Placing both division directors on the Governor's Executive Workforce Board will help them stay aligned with business and industry needs.
- **Coordination:** Making ODEW a cabinet-level agency will create better coordination and accountability between the department, administration, and legislature.

Furthermore, since its introduction, Senate Bill 1 has undergone corrective and technical changes that have improved it, including the creation of a public input requirement for stakeholder comments on proposed rules and regulations, with all information posted online. In addition, the Director and deputies must also receive Senate approval, with a hearing in the Senate Education Committee, and the two deputies are required to have professional, managerial, and educational experience to ensure their qualifications.

### **Conclusion**

In conclusion, let me say this. According to the 2011 Pathways to Prosperity Report by the Harvard Graduate School of Education, the American system for preparing young people for the workforce is broken, and failure to address this challenge will erode society. A skills gap exists between students and the economy, with many jobs requiring post-secondary credentials. The Harvard report highlights the need to create opportunities, a talent pipeline, and clear goals and support for every young person. Senate Bill 1 sets the stage for progress by clarifying the purpose of education, driving innovation, and aligning with stakeholders for better coordination, ultimately benefiting students, companies, and communities.

Thank you, Chair Swearingen and committee members. I will be happy to answer any questions from the committee at this time.

A handwritten signature in blue ink, appearing to read 'D. R. Zak', with a long horizontal flourish extending to the right.

David R. Zak  
President & CEO