



THE OHIO AUTOMOBILE DEALERS ASSOCIATION

**Written Testimony in Support of House Bill 429 Before
The Ohio Senate Transportation, Commerce & Labor Committee
Joe Cannon, Vice President, Government Relations
May 18, 2016**

On behalf of OADA's over 830 franchised motor vehicle dealers, we are writing today to express our support for House Bill 429 (Antani, Reineke), which was recently approved by the Ohio House of Representatives. The bill would make changes to Ohio's Incumbent Workforce Training Voucher Program.

Under the Program, employers in certain sectors are eligible to apply for training assistance funding on behalf of their employees. While the Program includes Ohio's Auto Sector, it excludes motor vehicle service and repair retail businesses, including our dealers. House Bill 429 would allow our dealers and other motor vehicle service and repair businesses to be eligible to compete for funding related to the training of their service technicians.

We believe this legislation is a win-win for our industry and the state. Our members spend significantly on training their technicians, often to meet manufacturer guidelines related to warranty and recall issues. In our industry, the more training a technician receives, the amount and the complexity of work the technician performs will increase, which will have a positive economic impact.

It is important to note that our industry is facing a significant shortage of technicians. Attached please find a survey we conducted with our membership. As you can see these are good paying jobs which have evolved over time to become far more technical than in the past due to changing vehicle technology. We look forward to partnering with the General Assembly on ideas to address this shortage and boost training, of which House Bill 429 is a key first step.

On behalf of the dealers in your district and throughout the state, we urge your support of this important legislation.



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EMPLOYMENT

On average, an Ohio dealer employs 19.3 technicians and has a need for 3.9 additional qualified technicians.

Dealers in Ohio are looking to expand their technician workforce by over 20%.

EXPANSION

OADA represents 835 dealers across the state.

This means the OADA dealer body currently has a need for over 3,500 qualified technicians.

This demand reflects an approximate payroll expansion in the state of over \$150 million.

INCOME

The average annual income for dealership technician positions is as follows:

- Entry Level Technician \$27,156
- Intermediate Level Technicians \$43,132
- Expert Level Technician \$67,492

TRAINING & CERTIFICATION

Dealers actively assist in training and career development of their technicians.

The average dealer spends over \$41,000 annually training technicians on new technology and additional certifications to help with career advancement.

THE NEED

Dealers were asked to provide the #1 reason why they are not able to find qualified technicians...

- Lack of Skill (61% chose this as their #1 reason)
- Lack of Interest in the auto repair field (42% chose this as their #1 reason)

DEALERSHIPS NEED TECHNICIANS

Members of the Ohio Automobile Dealers Association (OADA) have shared the following data in response to a survey regarding the massive shortage of qualified technicians in the auto repair field.

The demand dealers have as employers and job creators for more qualified technicians in both the service department and collision center is **HIGH AND CONSTANTLY RISING.**



* This data is derived from a fall 2014 statewide survey conducted by the Ohio Automobile Dealers Association.