



**BEFORE THE SENATE GENERAL GOVERNMENT BUDGET COMMITTEE
SENATOR TIM SCHAFFER, CHAIRMAN
TESTIMONY
OF
ROB BRUNDRETT
THE OHIO MANUFACTURERS' ASSOCIATION**

MAY 5, 2021

Mr. Chairman and members of the Senate General Government Budget Committee. My name is Rob Brundrett and I am the managing director of public policy services for The Ohio Manufacturers' Association (OMA). I am pleased to provide testimony on several important manufacturing workforce programs contained in the Development Services Agency's portion of House Bill 110.

The OMA was created in 1910 to advocate for Ohio's manufacturers; today, it has nearly 1,300 members. Its mission is to protect and grow Ohio manufacturing.

The OMA's manufacturing members believe – as you do -- that a robust economy requires a reliable population of workers with the technical knowledge and skills required to meet today's complex global standards for quality – and who can think critically and work collaboratively. Sustained growth in manufacturing productivity requires not only the next generation of globally competent workers, but also workers who are willing to embrace lifelong learning to keep pace with technological advancements and global competition.

A number of programs in House Bill 110 speak directly to the need to train and support workers for the near and longer term.

House Bill 2 of the 133rd General Assembly created Ohio's industry sector partnership grant program. Ohio's 19 manufacturing sector partnerships located in 65 counties across the state work with their regional partners to create career pathways in manufacturing to ensure that students, career switchers, and other potential makers receive the exposure, education, and training for successful manufacturing careers.

As a result, Ohio's manufacturers are gaining talent pipelines to support their growth. We are pleased to see the sector partnership grant program continued in House Bill 110. However, the House included an earmark to the competitively awarded grant program. This earmark -- given only to the Jewish Vocational Services of Cincinnati -- violates the purpose of the merit-based grant program. This entity is not an industry sector partnership and by including an earmark in a competitive grant, the purpose of the program is compromised.

There are a variety of other grants and programs designed to provide funding for other types of entities. We would ask that the Senate remove this earmark and keep the sector partnership grant program as designed by the administration and the legislature in House Bill 2 of the 133rd General Assembly.

Another effective program that is boosting Ohio's manufacturing talent is TechCred, which reimburses employers that help their employees earn industry-recognized, technology-focused credentials. In the first six rounds of the program, 966 Ohio employers have been approved for TechCred funding, supporting 15,105 credentials earned by Ohio employees. This is an exciting program providing real results in Ohio. We enthusiastically support the continuation of this program and its funding through the budget.

Finally, the OMA is pleased that Ohio's Manufacturing Extension Partnerships (MEPs) continue to receive funding in the proposed budget. MEPs provide technical assistance services to Ohio manufacturing firms. One needs to look no further than 2020 to understand the true value of these manufacturing centers of resources and knowledge. OMA worked with Ohio MEPs during the early days of the COVID-19 crisis to develop The Ohio Manufacturing Alliance, which enabled many of the state's manufacturers to retool to provide critical PPE and other needed supplies to Ohioans.

These three state-supported services, the industry partnership grant program, Ohio TechCred, and Ohio MEPs are making a real difference in the training requirements of our citizens and the competitiveness of our economy-driving manufacturing sector.

Thank you. I would be happy to try to answer your questions.



May 5, 2021

The Honorable Tim Schaffer
Chairman
Senate General Government Budget Committee
1 Capitol Square
First Floor North, Rm. 128
Columbus, OH 43215

RE: House Bill 110 – Written Proponent Testimony re. Industry Sector Partnership Funding

Dear Chairman Schaffer:

Industry Sector Partnerships (ISPs) are a proven workforce development strategy that put employers in the driver's seat and have demonstrated effectiveness in addressing skills gaps in Ohio and across the country. In Ohio there is a robust network of 19 manufacturing ISPs covering 65 counties with more partnerships in more counties coming online in 2021, towards a goal of covering all 88 counties. More than 1,650 companies are involved in these partnerships. Manufacturers within a regional labor market are working together to generate common solutions to workforce issues with diverse partners, including education and training, economic and workforce development, and community organizations.

It is with that background that we collectively write in support of House Bill 110, and specifically, in support of the Development Services Agency's budget for industry sector partnership funding. House Bill 110 provides funding for the agency's competitive sector partnership grant program created by the legislature in House Bill 2 of the 133rd General Assembly.

Ohio's sector partnerships work with their regional partners to create career pathways in manufacturing to ensure that students, career switchers, and other potential makers receive the exposure, education, and training to have successful manufacturing careers. As such, Ohio's manufacturers are realizing new talent pipelines to support their business growth. Manufacturing continues to be a chief driver of Ohio's GDP.

Last year, eight manufacturing partnerships were awarded ISP grants in the initial round. This money is being used to engage more manufacturing partners, promote manufacturing careers, and develop communication assets and technology tools for participants. The funding is being used to develop new programs or increase enrollment in apprenticeships, TechCred, and other training programs.

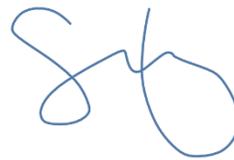
We are, however, dismayed at the inclusion of an earmark attached to the line item in the House-passed version of the bill. The House included a \$46,000 per year earmark for the Jewish Vocational Services of Cincinnati. This earmark violates the ISP grant model for two reasons. First, this entity fails the definition of an industry sector partnership and second, the ISP grant model is a competitive process ensuring that only the most effective partnerships qualify for state funding. By creating earmarks, the legislature compromises the grant purpose. Support for the Jewish Vocational Services of Cincinnati should be found from among other available and appropriate funding sources.

The community of manufacturing sector partnerships appreciates the time and effort this committee is taking in deliberating the issues in the budget. We also appreciate the work achieved by the DeWine administration, especially the Lt. Governor and the Office of Workforce Transformation for recognizing the value of industry sector partnerships and for their partnership with the General Assembly to keep innovative and successful workforce programs operating.

Sincerely,



Rob Brundrett
Managing Director
Public Policy Services
The Ohio Manufacturers' Association



Sara Tracey
Managing Director
Workforce Services
The Ohio Manufacturers' Association







May 5, 2021

The Honorable Tim Schaffer
Chairman
Senate General Government Budget Committee
1 Capitol Square
First Floor North, Rm. 128
Columbus, OH 43215

RE: House Bill 110 – Written Proponent Testimony re. OCC Budget

Dear Chairman Schaffer:

The Ohio Manufacturers' Association (OMA) is Ohio's largest statewide business association comprised solely of manufacturers advocating to protect and grow manufacturing. Manufacturing contributes more to Ohio's economy than any other sector and is responsible for 17% of the state's gross domestic product.

Energy policy can enhance or hinder Ohio's ability to attract business investment, sustain economic growth and enhance job creation, especially in manufacturing because manufacturing is a significant consumer of energy. The OMA routinely advocates on energy policy at the Statehouse and before the Public Utilities Commission of Ohio (PUCO). Legal proceedings frequently also take our cases before the Supreme Court of Ohio, as well as before other legal venues including federal agencies and courts.

Advocacy activity before an adjudicatory body is commonly referred to as *intervening* or being an *intervenor organization*. Interventions in utility cases are costly legal proceedings but they are a necessary check and balance to utility applications, supplier proposals, PUCO audits and investigations, and PUCO rulemakings.

The OMA is commonly referred to as a commercial and industrial intervenor group because most of our members participating in the intervening body - the OMA Energy Group - are customers who pay pursuant to the commercial and industrial rate classes. We are one of dozens of intervenors before the PUCO day in and day out. Other intervenors represent diverse interests, however, only the Ohio Consumers' Counsel has the statutory authority and recognized credibility to protect all of Ohio's residential customers.

OCC has been providing invaluable technical expertise that is important to the PUCO, the process, and to other intervenors. Without the data collected and presented by OCC's experts, the PUCO, the Court, and others may not be aware of the significant

overcharges customers have been required to pay over the past decade. This data is useful in describing the scale of the problem to the public, lawmakers, and other regulatory agencies.

While OMA and others may not always agree with OCC on rate design or allocation of costs among customer classes, we frequently agree on the need for customer protections from the many utility proposals that raise customers' rates without offsetting benefits.

Over the past few years, the OMA has joined the OCC and others in appeals to the Supreme Court of Ohio regarding unlawful charges assessed to all customers. Business customers benefit from working with an expert and principled residential customer advocate.

We have also partnered with the OCC in some matters before the Federal Energy Regulatory Commission, or FERC. Absent a willing partner in the OCC, other intervenor groups may not have the funding available to hire experts and litigate to the extent that OCC does in the numerous regulatory proceedings. Can you imagine the risk to all facets of Ohio if Ohio customers were not duly represented?

OCC's involvement in the FirstEnergy Solutions bankruptcy case was critical to defending the interests of Ohio residents and businesses alike. OCC stands in the stead of customer groups that are not able for one reason or another to intervene in cases. Finally, OCC staff professionals possess expertise needed in PUCO investigations and rulemakings that other groups simply do not have.

The Ohio energy marketplace today is more dynamic, and riskier, than ever for customers. We are all customers and customer costs directly impact Ohio's competitiveness. For these reasons, the OMA supports the important work for Ohioans this agency is performing, and we urge the Senate to follow the House's lead and fund OCC at its requested level so that the agency can continue being effective in protecting the interests of Ohio's residential consumers.

Sincerely,



Rob Brundrett
Managing Director
Public Policy Services
The Ohio Manufacturers' Association