

BEFORE THE FAMILIES, AGING, AND HUMAN SERVICES COMMITTEE THE OHIO HOUSE OF REPRESENTATIVES REPRESENTATIVE SUSAN MANCHESTER, CHAIR

> HOUSE BILL 560 TESTIMONY OF RACHAEL CARL THE OHIO MANUFACTURERS' ASSOCIATION

> > May 26, 2022

Chairwoman Manchester, Vice Chairman Cutrona, Ranking Member Denson, and members of the House Families, Aging, and Human Services Committee, thank you for the opportunity to provide testimony on House Bill 560

My name is Rachael Carl, and I am the managing director of public policy services for The Ohio Manufacturers' Association (OMA). Created in 1910 to advocate for Ohio's manufacturers, the OMA today has approximately 1,300 members statewide. Its mission is to protect and grow Ohio manufacturing.

A top issue facing employers today can be summed up in one word: workforce. The workforce challenge is especially daunting for Ohio manufacturers.

As you may know, manufacturing is the largest of the state's 20 industry sectors. In 2021, manufacturing contributed \$118 billion to Ohio's economy, accounting for nearly one-fifth of Ohio's private industry GDP.

Manufacturing also pays the highest total wages of any Ohio industry sector, with an annual payroll of \$42 billion, employing more than 670,000 Ohio workers.

Needless to say, Ohio's economy is directly tied to manufacturing. To continue Ohio's legacy as a manufacturing powerhouse, we need creative public policies that grow and retain a capable workforce.

As an industry, manufacturers and their stakeholders have led the way in innovation to solve their talent challenges. We have embraced forward-thinking strategies, including industry sector partnerships, credentialing programs like TechCred, adoption of next-generation technology, career-technical education, and earn-and-learn programs.

But these approaches alone will not fix the workforce crisis. More must be done to support efforts to build a robust manufacturing talent pipeline.

Employees and employers have needs beyond training opportunities. One of those critical needs is affordable housing. With a shortage of new housing construction in conjunction with rising housing prices, affordable housing is in short supply. If employees are unable to find a suitable, affordable home for their families, job openings go unfilled. House Bill 560 would leverage an existing federal housing tax credit, the Low-Income Housing Tax Credit (LIHTC) program, and draw federal resources to help meet affordable housing needs. Through the enactment of a state low-income housing tax, House Bill 560 aims to address the mismatch between housing supply and demand, while incentivizing developers to build affordable units.

House Bill 560 would add another resource to Ohio's workforce arsenal since employees benefit from thriving communities that offer a variety of housing options across the income spectrum. Stable housing contributes to a stable workforce. While House Bill 560 will not address all of Ohio's housing needs, it can and should be part of the solution.

Thank you, Madame Chairwoman, and members of the committee for the opportunity to provide testimony on House Bill 560. I am happy to answer any questions.