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House Higher Education and Career Readiness Committee

Testimony on House Bill 514

Kevin Duff, Ohio Excels May 17, 2022

Chair Lanese, Vice Chair Young, Ranking Member Ingram, and members of the House Higher Education and Career Readiness Committee, thank you for the opportunity to submit written testimony in support of House Bill 514, the GROW Act. My name is Kevin Duff, and I am the Vice President for Policy and Research at Ohio Excels.

Ohio Excels is a non-partisan, non-profit organization created by leaders of Ohio's business community to more consistently and deeply engage employers in helping to improve educational outcomes for all Ohio students. Our focus on education includes early childhood, K-12, and postsecondary education, ultimately with the goal of helping more Ohioans earn high-value credentials and postsecondary degrees.

In fact, Ohio Excels leads <u>Complete to Compete Ohio</u>, a statewide coalition of 50 member organizations committed to helping more Ohioans attain the high-value credentials and postsecondary degrees they need to earn a living wage, secure in-demand jobs, and close Ohio's skills gap. The GROW Act's strategy of attracting the best and brightest from other states and keeping talented graduates in Ohio perfectly complement these efforts.

The GROW Act wisely makes Ohio more attractive to students by offering competitive financial incentives such as forgivable Choose Ohio First loans, supplemental Ohio College Opportunity Grant (OCOG) awards, easier access to in-state tuition, and an income tax credit for students who stay in Ohio after they graduate. The GROW Act also tackles the issue from the employer perspective by creating a refundable tax credit equal to 30 percent of the wages paid to interns. This proposal will not only help retain Ohio's graduates, but it will also help deepen the connection between educators and employers, set students up for a career, and create pipelines for employers who badly need talent.

Traditionally, <u>about 60 percent of college students reported taking an internship</u>. However, many of the students without internships would like to have one. It's easy to understand why when more than <u>56 percent of interns</u>

<u>land a full-time job</u> from their organization. Students are unable to participate for many reasons, but the need for a paying job or a lack of internship openings are often a barrier.

The GROW Act addresses both of these barriers through the tax credit, which will incent more businesses to offer additional paid internship opportunities. The timing of this proposal is also important since the pandemic has caused the number of <u>students participating in internships to plummet from the typical 60 percent to just 22 percent</u> in 2021. Ohio's students, educators, employers, and policymakers have a huge challenge ahead of them to get back to – and beyond – the work-based learning participation we saw before the pandemic. The GROW Act will help make this happen.

Ohio Excels strongly encourages you to support the internship tax credit and the other proposals found in the GROW Act to attract and retain top talent to Ohio. Thank you for your consideration. If you have any questions, I can be reached at kevinduff@ohioexcels.org.