Statement Before the House Committee on Education and Workforce, Subcommittee on Higher Education and Workforce Development

Hearing on

Strengthening WIOA: Improving Outcomes for America's Workforce

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Good morning, Chairman Owens, Ranking Member Adams, and members of the subcommittee.

My name is Molly Dodge, and I have the honor of serving as Senior Vice President of Workforce and Careers at Ivy Tech Community College of Indiana. Ivy Tech is Indiana's largest postsecondary institution and America's largest, singly accredited statewide community college system, serving more than 200,000 students this year. Ivy Tech's Workforce and Careers division provides high-impact career coaching, work-based learning opportunities, employer-aligned stackable credentials and degrees, and skills training (non-credit offerings) aligned to the needs of employers in Indiana's key industry sectors.

At the end of 2024, Ivy Tech conducted a series of listening sessions with college staff whose roles include the implementation of career training programs supported through federal programs authorized under the Workforce Innovation and Opportunity Act (WIOA). Based on this feedback, I will outline areas of focus within *"A Stronger Workforce for America Act"* and how the reauthorization of this legislation would provide substantial benefits to Hoosiers and the State of Indiana.

Ivy Tech supports provisions of the bill that align with Indiana's workforce priorities to build a more responsive, skills-based economy and strengthen the connections between employers and the workforce system.

We urge the Committee to ensure that the final WIOA reauthorization:

- 1. Increases funding for skills training and employer partnerships;
- 2. Strengthens industry collaboration and skills-based hiring practices; and
- 3. Holds programs accountable for employment and earnings outcomes.

Relevant Provisions from "A Stronger Workforce for America Act":

- Requires that no less than 50 percent of the funds allocated to a local area be used to provide eligible individuals with skills development through an ITA or a contract with an employer or provider such as "on the job training," "incumbent worker training," "employer-directed skills development," and pay for performance contracts.
- Provides eligible displaced workers with ITAs with a value of \$5,000 to enroll in highquality reskilling programs and reconnect with the workforce.
- <u>Places a greater emphasis on work-based learning for youth and authorizes the use</u> of ITAs for in-school youth to participate in skills development programs outside of the courses offered by their school district.
- Strengthens workforce education programs at community colleges that align with in-demand jobs by emphasizing programs with industry partnerships and those that use competency-based assessments that award academic credit for prior learning.
- Establishes a new statewide required activity of coordinating with industry and education stakeholders to identify or develop competency-based assessments that measure knowledge, skills and abilities for the purpose of awarding postsecondary credit and developing individual employment plans.

As Indiana's statewide community college, Ivy Tech is the largest WIOA training provider to the Indiana Department of Workforce Development. In partnership with the Indiana Workforce Board Alliance that includes twelve workforce boards across the state, Ivy Tech delivers training services to youth and adults enrolled in Title I and Title II programs, including unemployed and underemployed adults (ages 18+); dislocated workforce boards to provide business services to over 18,000 Indiana employers.

Career Link is Ivy Tech Community College's comprehensive career development service, dedicated to supporting students, alumni, employers, and the broader community. Its mission is to facilitate transformative career development and forge meaningful connections between education and employment.

From the outset of their academic journey, students collaborate with Career Coaches to identify interests, strengths, and career objectives. This partnership ensures a clear plan toward achieving professional goals. Talent Connection Managers create access to internships, job shadowing, employer panels, and more, allowing students to gain practical experience and build professional networks.

Career Link collaborates with employers to create customized plans for engaging with students, identifying qualified candidates, and hiring graduates equipped with relevant skills. Employer Consultants within Career Link partner with faculty subject matter experts to offer standard and customized training programs. These short-term skills training classes and industry certifications are open to anyone seeking to advance their job skills or enter the workforce. These offerings are tailored to support key Indiana economic sectors and community needs. By focusing on employability skills such as communication,

conflict resolution and problem solving and aligning educational outcomes with industry demands, Career Link plays a pivotal role in strengthening Indiana's workforce and supporting economic growth.

At present, Indiana has only 72 available workers for every 100 open job positions. Indiana's tight labor market means employers can no longer afford a passive approach to workforce development. Instead, employers must become active co-developers of talent, partnering with education and workforce systems to shape training programs that meet their specific needs.

At Ivy Tech Community College, we have seen this shift in action. Over the past two years, Ivy Tech has engaged in nearly 1,600 contracts with employers to deliver on-demand, customized skills training. Last academic year, 19,000 students enrolled and completed skills training at Ivy Tech: an 115% increase from 2018-2019.

Skills-based training helps employers address immediate workforce challenges while also creating long-term opportunities for employees. Many of these learners can leverage the College's training and certification and military crosswalks to translate the competencies they master in skills training into academic credit, seamlessly transitioning into degree programs that open doors to even greater career advancement.

To bolster and scale credit for prior learning, Indiana's higher education coordinating body, the Indiana Commission for Higher Education, convened state higher education institutions, including Ivy Tech, to create and affirm a statewide framework for accepting and expanding credit for prior learning, recognizing competencies from apprenticeships and work-based training as earned credit for adults returning to college.

The demand for skills training is <u>urgent</u> in Indiana. Recent research conducted by TEConomy Partners in collaboration with Ivy Tech revealed that 69% of projected job openings in Indiana's key industry sectors over the next decade will require education beyond high school. These roles will demand additional training — whether through stackable credentials, licenses, micro-credentials, or third-party certifications. Research from TEConomy Partners estimates that Indiana will need to upskill or reskill 82,000 learners annually over the next ten years to fill these positions and replace retiring workers. That's a staggering challenge — and one in which additional WIOA training funds would be leveraged to address.

Employers are increasingly recognizing the value of this investment. In a recent survey of employers, 88% of respondents reported that Ivy Tech's skills training programs directly enhanced employee competencies and skills. This type of targeted, employer-driven training will be the difference maker as technologies such as artificial intelligence and automation continue to transform workforce needs.

Related to youth, Indiana is currently scaling a statewide Indiana Career Apprenticeship Pathway, with a goal of 50,000 youth apprentices by 2034, modeled after Switzerland's vocational training system. A significant component of these plans is the identification of industry associations in banking, advanced manufacturing, IT, life sciences and healthcare that will inform the knowledge, skills and abilities of hard to fill roles and industry trends requiring shifts in educational offerings. An emphasis on WIOA ITA funding for youth will align and augment the Indiana's Career Scholarship Account (CSA) program that provides \$5,000 per year to eligible 10th, 11th, and 12th graders to pursue apprenticeships and other work-based learning. The program is intended to help students prepare for careers and remove barriers to their participation in career programs.

Relevant Provisions from "A Stronger Workforce for America Act":

- Allows states to set-aside additional funds from their state allocation to establish a "critical industry skills fund." Through the fund, states will provide reimbursements to employers, sector partnerships and other intermediaries for upskilling workers in the priority industries selected by the State.
- Raises the cap on incumbent worker training so local workforce boards can help the currently employed workforce gain new skills to avoid displacement and advance their careers.
- <u>Streamlines the eligible training provider list to ensure programs are aligned with the skill and hiring demands of employers by focusing the eligibility process on employment outcomes, providing an on-ramp for newer programs to receive eligibility under a performance-funding model, and creating a process for employers to "sponsor" a program as a signal of high quality and industry-relevance.</u>

At Ivy Tech, nearly 14,000 students in 2023-2024 completed short-term workforce-aligned certificate training, an 87% increase since 2018-2019. These certificates are industry-led and championed for development at Ivy Tech through our statewide advisory boards and curriculum committees. Recent examples include short-term certificates aligned to technician roles in semi-conductor, electric vehicle, biotechnology, supply chain, precision agriculture and cyber security. These certificate programs stack into technical certificates and associate degrees designed to align with career paths within an industry.

Together, the College saw a 69% increase in workforce and skills training headcount in 2023-2024, representing its fastest-growing enrollment sector.

These provisions of the bill will ensure Indiana receives additional support to expand or develop training programs in the State's priority industries (e.g., advanced manufacturing, healthcare, IT, logistics). Available funding could be purposed for scholarships, reduced tuition, or free training opportunities for students. A strategic emphasis on employer-backed programs will assist the College in attracting more students to high-wage careers, particularly working adults looking to upskill. In addition, Indiana employers could access reimbursements for training provided through Ivy Tech, allowing the college to further scale our Achieve Your Degree and employer/industry association co-designed training programs aligned to current hiring demands.

Achieve Your Degree: Many employers offer tuition reimbursement programs designed to be leveraged to upskill their incumbent workforce, but upfront costs deter workers from accessing them. Ivy Tech's Achieve Your Degree program, in

partnership with over 340 Indiana employers, eliminates these barriers by allowing students to enroll with minimal or zero upfront costs. Billing is deferred until the end of the semester, when students can apply their tuition reimbursement plans per company policy. This population of students grew over 30% in 2023-2024 and is currently up 11% over this time last year. Preliminary research conducted by the RAND Corporation suggests that students sponsored by an employer are more likely to complete a certificate or degree program than other Ivy Tech students who are not sponsored by an employer as part of the Achieve Your Degree program.

<u>Employer Led Pipeline Strategy</u>: Eli Lilly and Company, a global pharmaceutical company headquartered in Indianapolis, Indiana, is known for its innovation in drug development, particularly in the areas of diabetes care, oncology, immunology, neuroscience, and cardiovascular diseases.

Eli Lilly and Ivy Tech have launched a formal partnership, <u>Lilly Scholars</u>, designed to create a 1,000-technician pipeline for the company. Eli Lilly provides full tuition scholarships and wrap around support services to students who enroll in specific pathways and guarantees interviews to graduates. Eli Lilly is also leveraging Ivy Tech for customized skills training designed to speed time to competency of their new hires in their Lebanon, Indiana manufacturing facilities.

With the support of the Central Indiana Corporate Partnership's BioCrossroads industry sector association, Ivy Tech is currently scaling this pipeline strategy to include additional life sciences employers focused on hiring skilled technicians.

Relevant Provisions from "A Stronger Workforce for America Act":

- <u>Strengthens and fully implements the performance accountability system in the law</u> to hold states and local workforce boards accountable for achieving positive labor market outcomes for program participants.
- Provides transparency on the credentials that are awarded by eligible providers to include credential-specific information on the awarding entity, industry recognition, the skills and competencies the credential signifies and the employment and earnings outcomes of participants that receive the credential.
- Raises the cap on pay-for-performance contracting and simplifies the process for local workforce boards to contract with programs committed to delivering good outcomes.

Ivy Tech provides transparent information about the credentials earned by our students and their value in the labor market and therefore supports these provisions in the legislation.

Ivy Tech currently tracks student earnings post-graduation, ensuring our programs lead to wages above Indiana's median income. This is one of four key metrics in our strategic plan. Our current systemwide target is that 60% of our graduates working full time will earn above Indiana's median wage three years after graduation by 2025-2026. We chose the three-year time frame because the category of census data we are using is comparing our

student wages to wages of adults ages 25 and older at all education levels, including bachelors, masters, or doctorate. To calculate this metric, Ivy Tech has a data sharing agreement with the Indiana Department of Workforce Development. This data is also leveraged in career coaching conversations with students and our statewide annual academic program review process designed to ensure each campus is meeting their region's labor market needs and the College is meeting the State's demand for skilled talent.

Ivy Tech is embarking on a new partnership with CredLens, a trusted national resource for verified non-degree credential data, to enhance our understanding of the impact of microcredentials, certifications, and licensure earned by our students. Through this collaboration, Ivy Tech will gain deeper visibility into the non-degree credential landscape in Indiana, enabling us to assess their value in the labor market. By leveraging CredLens' verified data, we aim to equip learners, employers, and policymakers with the insights needed to recognize how these non-degree credentials align with in demand skills and competencies in key industry sectors in Indiana.

The reauthorization of WIOA represents an opportunity to strengthen Indiana's workforce by ensuring more Hoosiers gain access to high-quality training, employer-aligned credentials, and meaningful employment opportunities. Ivy Tech strongly supports the provisions in "A Stronger Workforce for America Act," which align federal workforce investments with state economic priorities.

Thank you for this opportunity to testify in support of this bill.