

Members

Sen. James Buck, Co-Chairperson
Sen. James Arnold
Rep. Mark Messmer, Co-Chairperson
Rep. Sheila Klinker
Mayor Shawna Girgis
Mark Becker
Jeff Quyle
Sonny Beck
Chris Lowery
Gail Zeheralis
Nancy Guyott
Daniel Hasler
Tom Easterday
Angela Faulkner
Mickey Maurer



INTERIM STUDY COMMITTEE ON ECONOMIC DEVELOPMENT

Legislative Services Agency
200 West Washington Street, Suite 301
Indianapolis, Indiana 46204-2789
Tel: (317) 233-0696 Fax: (317) 232-2554

LSA Staff:

James Landers, Fiscal Analyst for the Committee
Heath Holloway, Fiscal Analyst for the Committee
Michael Landwer, Attorney for the Committee
Dan Paliganoff, Attorney for the Committee
George Angelone, Attorney for the Committee

Authority: IC 2-5-31.8

MEETING MINUTES¹

Meeting Date: September 24, 2012
Meeting Time: 1:00 P.M.
Meeting Place: State House, 200 W. Washington St., 404
Meeting City: Indianapolis, Indiana
Meeting Number: 3

Members Present: Sen. James Buck, Co-Chairperson; Sen. James Arnold; Rep. Mark Messmer, Co-Chairperson; Rep. Sheila Klinker; Jeff Quyle; Nancy Guyott; Daniel Hasler; Tom Easterday; Mickey Maurer.

Members Absent: Mayor Shawna Girgis; Mark Becker; Sonny Beck; Chris Lowery; Gail Zeheralis; Angela Faulkner.

Sen. Buck, Co-Chairman of the Committee, called the meeting to order at 1:10 pm.

Jeff Terp, Policy Choices for Indiana's Future: Education and Workforce Development

Jeff Terp, Sr. Vice President for Engagement and Institutional Efficiency, Ivy Tech Community College, presented the final report from the Policy Choices for Indiana's Future Commission for Education and Workforce Development (Exhibits A and B). According to their projections, 63% of jobs will require some form of postsecondary education by 2018. The Commission on Education and Workforce Development concluded that Indiana must create a highly skilled workforce in which 66% of the workforce has a credential or a degree that the knowledge economy is expected to demand. They outlined the following objectives:

¹ These minutes, exhibits, and other materials referenced in the minutes can be viewed electronically at <http://www.in.gov/legislative>. Hard copies can be obtained in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for hard copies may be mailed to the Legislative Information Center, Legislative Services Agency, West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for hard copies.

- (1) Every Indiana resident should possess the basic skills required to remain competitive in the workforce and allow a successful transition to higher education or further training.
- (2) The postsecondary education model must be broadened to incorporate the value of degrees and credentials other than a four-year bachelor's degree.
- (3) Involve employers and the business community in improving the education and workforce development systems.

The Commission on Education and Workforce Development recommended multiple policies to accomplish the objectives. All the Commission's policy recommendations were classified under three broad policy categories:

- (1) Align college and career standards for graduation from high school to admission to college.
- (2) Redesign the state's workforce training, economic development, and postsecondary education strategies for workers to ensure that they remain competitive.
- (3) Increase participation by employers in the design and delivery of the workforce development system.

Teresa Lubbers, Indiana Commission for Higher Education

Teresa Lubbers, Commissioner, Indiana Commission for Higher Education (CHE), gave a presentation on state workforce skills and training programs. Commissioner Lubbers indicated that education is the key to economic recovery. She reported that Indiana ranks 40th nationally in higher education attainment and 41st in per capita income. The CHE has developed a strategic plan to address higher education attainment (Exhibit C). The goals of the plan are:

- (1) Increase on-time college graduation rates to 50% at four-year schools and 25% at two-year schools by 2018.
- (2) Double the number of college degrees and certificates from 60,000 to 120,000 by 2025.
- (3) Increase higher education attainment of Hoosier adults to 45% by 2018 and 60% by 2025.

To achieve those goals, the CHE proposes:

- (1) Creating increased opportunities and pathways for students that promote college completion.
- (2) Committing to ensure college is affordable for both the student and the state.
- (3) Producing college degrees and certificates that are valued by students and employers.

Commissioner Lubbers reported that Indiana students borrowed an average of \$27,000 to finance a college degree in 2010. The CHE will be producing a Return on Investment report that will contain metrics such as on-time completion rates, cost per student, and job placement rates. This report will help prospective students weigh the cost of acquiring a degree at specific institutions.

Dan Clark, Education Roundtable

Dan Clark, Executive Director of the Education Roundtable, presented the State of Indiana Roundtable Report (Exhibits D, E, and F). Mr. Clark reported that Indiana does not compare well with other states and many countries in the area of degree attainment. The Roundtable believes that aligning the courses in high school to flow or transfer directly to college would improve degree attainment.

He reported that 10,196 students attending a postsecondary institution require educational

remediation. Mr. Clark believes the remediation issue can be resolved while the students are still enrolled in high school. The Roundtable has proposed that the college remediation exam be given to eleventh grade students so that remediation could begin in high school.

Mayor Wayne Seybold and Mayor Greg Goodnight, Midwest Automotive Loop

Mayor Wayne Seybold, Mayor of Marion, and Mayor Greg Goodnight, Mayor of Kokomo, provided an overview of their regional economic development plan, the Midwest Automotive Loop (Exhibits G and H). They are marketing the region's collective strengths of modern automotive manufacturing and technology clusters to attract a wider range of automotive trading and investment partners to the area. They are working together to promote the area's combined assets such as:

- (1) Two of the largest automotive companies and North American parts suppliers.
- (2) Dozens of supply-chain manufacturing, electronic parts developers, and research, development and testing labs.
- (3) Access to a highly trained international workforce and close proximity to six institutions of higher education for additional training opportunities.
- (4) Easy access to Interstate 69, U.S. Highway 31, and two municipal airports.

Jeff Terp, Ivy Tech Corporate College

Jeff Terp, Sr. Vice President for Engagement and Institutional Efficiency, Ivy Tech Community College, unveiled a new program for employers to cultivate a talented trained workforce called Indiana Workforce 2.0 (Exhibit I). The new program is a partnership between Ivy Tech Corporate College, the Indiana Economic Development Corporation, and private businesses. The program would provide training and degree courses to employees that are tailored to meet the employer's workforce needs. The student's tuition would be supported by both the state of Indiana and the private employer. Under the program, a student will not have to pay for courses as long as the student agrees to remain with the sponsoring employer for a specified period of time.

The end result of the program will be:

- (1) An employer with a skilled employee committed to remain with the employer.
- (2) An employee with a certification from Ivy Tech earned without paying tuition.
- (3) Development of a skilled, adaptable workforce in Indiana.

Vic Lechtenberg, Next Generation Manufacturing Center

Vic Lechtenberg, PhD., Acting Executive Vice President for Academic Affairs and Provost at Purdue University, provided information on the proposed Next Generation Manufacturing Center. The Next Generation Manufacturing Center will provide advanced manufacturing research, training and resources to Indiana manufacturers. They believe this is in line with their other successful initiatives, such as the Purdue Research Parks, Statewide Knowledge Program, Centers for Entrepreneurship, and Discovery Parks. Purdue has observed many firms are beginning to outsource their research and development programs. Dr. Lechtenberg sees this as an opportunity for Indiana. He believes the Next Generation Manufacturing Center and the other Purdue research centers could attract private research activities.

Sen. Buck adjourned the meeting at 3:30 pm.