



## STATES LEGISLATE SUPPORT FOR EMERGING TECHNOLOGY TRAINING & INFRASTRUCTURE

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Recent legislative action in at least three states stands behind a shift in widespread focus on emerging technologies workforce training and outcome-based post-secondary education funding.

In Alabama, a new workforce training center, to be built in Decatur, promises to focus on electric vehicle (EV) and emerging technologies education.

Gov. Kay Ivey announced in November that the state will build the \$30 million center “to position the state’s auto industry for the next chapter of its growth.”

The facility will be located on the campus of the Alabama Robotics Technology Park, a \$73 million center operated by the state’s Department of Commerce Alabama Industrial Development Training (AIDT) agency, according to the department’s “Made in Alabama” marketing campaign. AIDT helps companies train workers on advanced research and development and manufacturing technologies.

“Alabama is already a recognized leader in workforce development, and this training center concentrating on EVs and new technologies will add an important dimension to our capabilities,” Ivey said. “This investment shows that we’re fully committed to making Alabama an even greater force in the global auto industry in the future.”

Work by AIDT and the Department of Commerce on program development for the new training center included visits to EV battery factories in Japan and Europe. A technical committee that includes auto industry leaders was formed to offer guidance along with another group made up of academic partners including the University of Alabama’s Alabama Mobility and Power Center, the Alabama Community College System, and the state’s K-12 school system.

Mercedes-Benz and Hyundai have begun the production of EVs at their Alabama manufacturing plants, and companies in the EV battery supply chain have begun locating in the state as well.

The Alabama legislature approved funding for the new training center during its last session.

In Ohio, the Jefferson County Joint Vocational School has received nearly \$855,000 in federal grant funding to go toward a \$1 million project it says will provide better

distance-learning tools for each of its programs, including auto body collision and auto service technology. The grant will also connect the JVS to other educational institutions, according to the Herald-Star.

“It was great news when found out that we are receiving the grant, which will help us to make some major upgrades and improvements in the schools’ technology,” said JVS Superintendent Todd Phillipson, in the Herald-Star article. “These upgrades will benefit both teachers and students of the JVS.”

In Texas, the legislature approved a bill in June that shifts its state community college funding model to an outcome- and reward-based model that would provide money to schools according to the number of degrees or certificates it awards and other “credentials of value.”

Traditionally, Texas community colleges are funded based on enrollment, types of courses offered, and “student success points.” Points are given, and tied to monetary amounts, for reaching certain academic progression milestones.

The passage of HB 8, and the allocation of \$683 million in the state budget, positions Texas as a national leader in tying funding for community colleges to measurable student-focused outcomes, according to the Texas Higher Education Coordinating Board.

These include:

- “The number of credentials of value awarded, including badges, certificates, and degrees, that position graduates for well-paying jobs;
- “Credentials of value awarded in high-demand fields where employers are looking for skilled employees;
- “Successful student transfers from community colleges to four-year universities”; and
- “Completion of a sequence of dual credit courses, which are offered to high school students and can set them on early pathways to success.”
- According to the Texas Tribune, a coalition of business and higher education advocates said the new law could be the answer to the state’s worker shortage.

“By 2030, 62% of all Texas jobs will require postsecondary credentials, but Texas businesses are already struggling to find qualified workers,” said [Justin Yancy, Texas Business Leadership Council](#) president, according to the Texas Tribune. “Now, thanks to the passage of House Bill 8, state leaders can continue to address the skilled workforce shortage, support our businesses, and ensure more Texans can earn self-sustaining wages.”

The entire nation faces a skilled trade shortage. Specific



to the automotive, diesel, and collision sectors, a 2022 Techforce Foundation study found that 232,000 techs were needed in 2021 but schools were graduating only 42,000. In collision alone, the demand was 35,000 techs while only 4,500 graduated. The study predicted more than 110,000 new collision technicians would be needed by 2026.

Forbes contributor, Matt Gandal, who is president and CEO of Education Strategy Group (ESG), calls the Texas legislation a win-win for Texas students and employers.

“Putting the needs of the workforce front and center encourages community colleges to make sure that students are earning the credentials they need to find success in rapidly growing career fields and that employers can more easily find and hire qualified talent,” he wrote. “The Texas legislation is also notable because of the buy-in it has received from the higher education community. Community college leaders were fully behind the bill and helped to shape it.”

ESG also notes on its website strides that have been made by several other states in workforce training and development, including:

- “Louisiana: Developed a robust model for employer engagement through its Workforce Investment Council, putting industry in charge of defining the pathways and credentials most essential in today’s economy;
- “Nevada: Created a Governor’s Office of Workforce Innovation to promote a skilled, diverse, and aligned workforce through establishing mechanisms for cooperation and collaboration among K-12, higher education, and business leaders;
- “Indiana: Reengaging adults with some college, but no degree to return to post-secondary education by offering free courses to complete credentials in priority workforce sectors, simultaneously helping meet the state’s attainment and workforce goals;
- “Rhode Island: Post-secondary and workforce leaders are partnering to develop a joint action plan to meet the state’s 70% credential attainment goal, with a focus on how to serve returning adults and offer programs and pathways that align with the current and future industry needs”; and
- “Boston, Massachusetts: Private Industry Council partners annually with the local school system to help place over 3,000 students in summer work-based learning opportunities, creating pipeline to the future for students and employers.”

On the international front, the New Zealand-based Motor Trade Association (MTA) wants to restore an “of the industry, for the industry” approach to automotive vocational education rather than that which is currently

offered through the centralized Te Pukenga – New Zealand Institute of Skills and Technology system. According to the learning network’s website, the government intends to disestablish Te Pukenga.

Te Pukenga contends it “puts learners back at the centre” with a stronger employer focus aimed at “delivering the skills they need, providing more support for those in work-based training, and ensuring greater consistency in vocational learning across the country.”

“It’s important to know that our services, training programmes and support for learners and employers will not change, and learners will continue to be supported by a MITO Training Advisor,” Te Pukenga states on its website.

MITO is a division of Te Pukenga.

“Rest assured we will keep you informed of any changes that may affect the way in which you work with MITO. Until then, it’s very much business as usual.”

MTA Chief Executive Lee Marshall says the government must halt the upcoming structural changes immediately before further damage is done to what was previously a well-performing vocational training body.

“Businesses, more than bureaucrats, understand the needs of their sector and the definitions of success,” Marshall said in a written statement.

MTA submitted its proposal to Minister for Tertiary Education and Skills Penny Simmonds last week. It’s supported by seven other industry groups – the Motor Industry Association, Imported Motor Vehicle Industry Association, Tractor and Machinery Association, Collision Repair Association, NZ Auto Electrical Group, la Ara Aotearoa Transporting New Zealand, and Rental Vehicle Association.

Key points in the proposal include:

- “A new independent track for the automotive industry training organisation, which provides training for 89% of the country’s automotive apprentices;
- “An immediate pause on structural reform affecting industry training functions within Te Pukenga, particularly those with a track record of producing high-performing graduates, including MITO;
- “Restore an updated industry-led approach, with a leadership structure that is based on industry and/or sectors, as opposed to an arbitrary regional segmentation;
- “The short-term revitalization of functionality of the former MITO, including standards creation, would enable it to work directly with NZQA [New Zealand

Qualifications Authority] to have new qualifications listed on the New Zealand Qualifications Framework and training programmes approved”; and

- “Revitalisation of the industry-led approach based on the now repealed Industry Training and Apprenticeship Act 1992, with modifications to address previous issues.”
- “Automotive was one of the best-performing ITOs,” Marshall said. “It was and is financially sustainable. Qualifications within automotive are largely standard already, with almost 90% of the learners in the country studying through the same pathway, so the overall rationale for Te Pukenga never stacked up with automotive.”

MTA says the old system resulted in complaints that learning standards weren’t keeping up with changing technology.

Under the current system, the Workforce Development Councils were supposed to address that problem, MTA said. Two years later, little has been achieved but noted they are working hard to engage with industry, according to Marshall.

He added that MTA’s proposal may look regressive but it’s designed to enable simple and immediate action to address the industry’s concerns and many of the planned changes through Te Pukenga haven’t happened yet.

“So, we are saying loud and clear: Stop now and reconsider,” he said. “Because there is no way that removing the management structure dedicated to our industry can improve things. The businesses we represent are reporting chronic skills shortages. Our industry deserves the right to fight for its future. If this is not rectified urgently, the implications will be felt by all New Zealanders.”

The industry groups have requested a meeting with Simmonds to discuss the proposal and how it could be implemented.