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**TESTIMONY BEFORE THE U.S. HOUSE OF REPRESENTATIVES
EDUCATION AND THE WORKFORCE COMMITTEE**

Hearing on "Expanding Opportunity in America's Schools and Workplaces"

**Governor Michael R. Pence
Indiana**

February 4, 2015

Chairman Kline, Ranking Member Scott, Members of the Committee, particularly Representatives Rokita and Messer from the great state of Indiana, thank you for the invitation to testify before the committee today. I see many friends on the dais this morning, and I welcome the opportunity to meet the Members who have joined the Congress and this committee since I left for Indiana at the end of 2012.

I have now been in office as Governor of Indiana for a little over two years, and I come before you today to discuss the success Indiana has had in improving school choice, freeing up teachers and schools to be more innovative, and offering new pathways to success for all of Indiana's students through enhanced career and technical education opportunities.

But first, if you'll permit me, I'd like to update you on some of the progress Indiana has made.

Unemployment has dropped from over 8 percent when I was elected to 5.8 percent today. We have added over 100,000 jobs in the last two years, and Hoosiers, encouraged by this improvement, have been returning to the labor force in record numbers. In fact, since December 2013, Indiana's labor force has grown by over 83,000 individuals—a gain that ranks 7th in the nation and nearly doubles any other Midwestern state.

We believe fiscal stability is the foundation of our state's success, and in Indiana we have the basics covered. We have worked hard to contain spending and pass honestly balanced budgets, all while maintaining reserves of over $2 billion dollars.

We are consistently working hard to create the best environment in the nation to start and grow a business. In 2013, I signed the largest state tax cut in Indiana history, and continued in 2014 by passing legislation to reduce our corporate income tax to 4.9% over a period of years. Currently I have a proposal before our General Assembly that will simplify and streamline our tax code. Similarly, we have worked to reduce unnecessary regulatory burdens—on my first day in office I placed a moratorium on any state

regulation and started a process to review and remove outdated and burdensome laws from the books.

Indiana has long been known as a manufacturing powerhouse. We continue to have the highest concentration of manufacturing jobs in the U.S. and led the nation in manufacturing job growth in 2014. Yet people often do not realize that we are at the cutting edge of technological advancement and one of the leading States for medical device and life science companies. We believe Indiana is at the crossroads of innovation and growth because we pursue novel ways for our companies to collaborate with our universities and identify solutions together. In 2013, we announced the creation of the Indiana Biosciences Research Institute, the first industry-led biosciences research institute in the nation. The partnership of our leading life sciences companies and research institutions will help attract world-class talent to the state, facilitate collaborative research endeavors, and increase commercialization.

Indiana is poised to continue to grow and lead the nation in opportunity. And, Mr. Chairman, I know you will agree with me that opportunity begins in the classroom. If our students can't succeed in the classroom, they won't succeed in the marketplace.

In Indiana our schools and students are improving. Our graduation rates are up, our test scores are up, and Indiana ranked second in the nation in total growth on NAEP—the nation's report card.

I've always said there's nothing that ails education that can't be fixed by giving parents more choices and teachers more freedom to teach. Students will be better served if we give parents and students more choices within our public schools and through public charter and private school choice.

I was honored to issue a proclamation declaring last week as School Choice Week in Indiana, and I know many of you celebrated it here in Washington.

In Indiana, we are especially pleased to report that four years after its launch, Indiana has the largest school voucher program in America, serving nearly 30,000 students. Four out of five of these voucher students are enrolled in schools ranked A or B by the state's accountability system. Indiana has more than 35,000 students attending public charter schools, and an additional 28,000 students exercising public school to public school choice.

We all know that great teachers make a difference, and we must ensure that our best teachers can have the greatest influence on improving student success. Part of that involves getting bureaucracy at both the state and federal level out of the way for good teachers and allowing teachers and principals to be innovative and refocus resources on the classroom, which is why I have urged the Indiana General Assembly in the current legislative session to give this kind of flexibility through the creation of Freedom to Teach Schools.

While we give more freedom to families and teachers, states must also ensure that our public dollars are being properly invested in schools that improve student success. In Indiana, we hold schools accountable through A-F school grades based on student achievement and take action to ensure that those schools improve. Although that strategy is what works best for the students of Indiana, the needs and challenges of our state are different from those in other states. We must ensure that states have as much flexibility as they can to hold their schools and teachers accountable. Accountability is critical to educational success. But there is no one accountability system that is right for every state, and I commend you for recognizing that in the Student Success Act reauthorization of the Elementary and Secondary Education Act.

Finally, we cannot forget that a critical goal of our educational system is to enable students to succeed in a 21st century economy and to ensure that students are prepared for college and careers. For some students, this means a four-year college degree. While completing college is a goal which we need more students to attain, going directly into a career may prove the better option for many others.

This is not about a Plan A and a Plan B. This is about two Plan A's. For those students who are not bound for the traditional four-year college, we must still ensure that they can thrive in their future careers, and one way to do this is to again make career and technical education a priority.

In Indiana, we are increasing our investment in career and vocational programs, encouraging schools and private industry to partner in order to develop new curricula that prepares students for the jobs of today and tomorrow, and basing our funding on performance and relevance instead of enrollment alone.

We have created both the Indiana Career Council and the Indiana Regional Works Councils, which have laid out a strategic plan to transform Indiana's workforce and built important community partnerships.

Our eleven Regional Works Councils have forged new partnerships between businesses and schools and have awarded $3 million in Innovative Curriculum Grants to eighteen (18) projects across the state. The private sector matched those dollars and more—with $4 million—to establish new career and technical training opportunities that match regional business needs. More than 1700 students will participate in the first year of programs.

We have set a goal to have a five-fold increase in students who graduate high school with an industry-recognized credential by 2020. This goal recognizes that individuals can be successful in life and earn a good wage without graduating from a four-year university.

Indiana is using federal, as well as state, resources in this endeavor, and we are grateful for the flexibilities provided in the Workforce Innovation and Opportunity Act that

became law last year. As the Committee considers legislation to reauthorize ESEA, the Perkins Act, the Higher Education Act and more, I want to encourage you to keep in mind that at its heart, education in this country is, and should be, primarily a state and local function.

I would like to close by giving you an example of how our efforts at workforce training and collaboration have turned into success in Indiana, right in Rep. Rokita's district. – In March of last year, it was my honor to welcome the world's largest jet engine manufacturer, GE Aviation, to Indiana to build a new $100 million dollar jet engine facility and create up to 200 new, good-paying jobs by 2020. GE Aviation recognized Indiana's great strengths: our tradition in manufacturing, education, and innovation, especially our focus on world class higher education and workforce.

It is my sincere belief that by continuing to put forth innovative education and training initiatives and maintaining our dedication to the Hoosier workforce, that more companies are going to choose to locate in Indiana and employ the citizens of our great state.

Thank you for inviting me to testify today, and I look forward to your questions.