

# President Denson Testifies at Senate Hearing on Small Business and Entrepreneurism

Compiled by Judith Vogel

## *“Bridging the Skills Gap: Policies to Help Iowa’s Workers and Small Businesses Thrive”*

U.S. Senator Joni Ernst (R-IA) hosted and chaired a Senate Small Business and Entrepreneurship Committee field hearing on August 16, 2019 at the Iowa Events Center in Des Moines, Iowa. Participants providing testimony included Governor Kim Reynolds; Owner and President of Geetings, Inc., Lana Pol; **President of the Des Moines Area Community College Rob Denson**; and Fareway Stores President and CEO Reynolds Cramer. The purpose of the hearing was to examine the steps that Iowa’s small businesses, local employers, schools, and policymakers are taking to address workforce challenges and to explore how federal policies can support these efforts.

Prior to the Hearing, Senator Ernst made the following statement:

*“Iowa’s small businesses are the backbone of our communities, making up more than ninety-nine percent of all businesses in our state. It’s critical we put the policies in place to make sure our local employers have the opportunities to continue to grow and succeed. I look forward to hosting this Small Business and Entrepreneurship Committee field hearing to explore innovative ways that Iowa employers, schools, and policymakers are collaborating to address our state’s workforce challenges, and how federal policies can support these efforts.”*

In the pages that follow you will find press coverage of the event with a link to the entire hearing and the article on the event from the DMACC Daily. President Rob Denson’s speaking notes are included at the end of this article.

## Ernst Chairs Senate Small Business Field Hearing, Highlights Ongoing Efforts to Address Workforce Challenges and Help Iowans Succeed

Iowa's Governor Kim Reynolds and other local leaders provided testimony

*Aug 16 2019*

DES MOINES, Iowa – U.S. Senator Joni Ernst (R-IA) hosted and chaired a Senate Small Business and Entrepreneurship Committee field hearing in Des Moines, Iowa today focused on efforts at the federal level and by Iowa's businesses, local employers, schools, and policymakers to address workforce challenges.



To watch Senator Ernst's opening remarks, click [here](#) or on the image above.

*“With record-low unemployment and increasing wages, Iowa’s economy is booming and small businesses are continuing to expand. On my 99 County Tour, I hear from employers who are seeking to hire, but are struggling to find folks with the skills necessary to fill those jobs. That’s what we’re working to address and was the focus of today’s field hearing,” said **Senator Joni Ernst**. “Through a number of my bills and by working closely with Governor Reynolds and our business and education community, together we’re helping to lift families out of poverty and into good-paying jobs, close our skills gap, and ensure Iowa workers and businesses continue to have the opportunities to grow and succeed.”*

Witnesses at today's hearing included: Governor Kim Reynolds (R-IA), Owner and President of Geetings, Inc. Lana Pol, **President of the Des Moines Area Community College Rob Denson**, and Fareway Stores President and CEO Reynolds Cramer. To watch the hearing in full, including testimony by these witnesses and questioning by Senator Ernst, click [here](#).

(President Denson's statement runs from 22-33 minutes into the video. His responses to Sen. Ernst's questions run 42-53 minutes into the video.)

## **Background:**

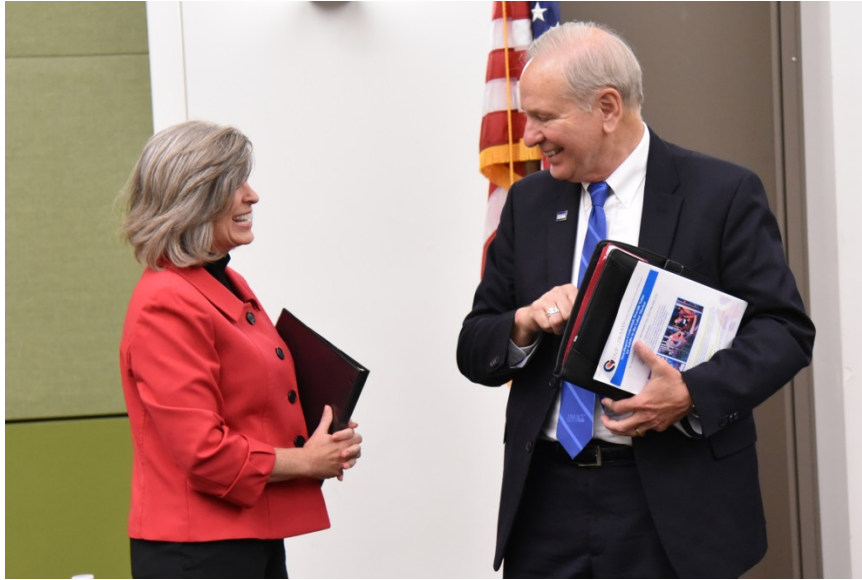
During today's hearing, Senator Ernst referenced legislation she has put forward, the *EMPOWERS Act*. This bill would empower states to develop and test innovative solutions to help folks overcome barriers to self-sufficiency and reach their full potential. In doing so, it would help get more folks into the workforce. States like Iowa could apply for temporary waivers to reform two or more federal means tested programs. To receive a waiver, states would submit a proposal for a cost-neutral pilot project designed to reduce poverty while promoting employment, savings, financial literacy, and family stability.

In addition, Ernst highlighted her bipartisan bill, the *Wind Workforce Modernization and Training Act*, that promotes training opportunities for students, community colleges, and technical schools; facilitates the modernization of the current U.S. wind technician workforce; and creates career pathways for veterans to more easily enter the wind workforce through the creation of a veterans-focused jobs program similar to the Solar Ready Vets program.

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## Denson Testifies at a Senate Small Business and Entrepreneurship Committee Hearing DMACC Daily, 08/16/2019



DMACC [President](#) Rob Denson (right) visits with U.S. Senator Joni Ernst of Iowa following his testimony at a [Senate Small Business and Entrepreneurship Committee hearing](#) hosted and chaired by Senator Ernst in Des Moines.



Denson told the Senator that more middle school and high school counselors are needed to tell students about the career paths available for students who don't need a four-year college education but do need some post-secondary education.



Fareway Stores President and CEO Reynolds Cramer (left to right), Denson and Geetings, Inc. Owner and President Lana Pol, testified in the committee field hearing titled, “Bridging the Skills Gap: Policies to Help Iowa’s Workers and Small Businesses Thrive.” Iowa Governor Kim Reynolds also testified.



Ernst said Iowa’s small businesses are the backbone of our communities, making up more than 99 percent of all businesses in the state of Iowa. She said she was hosting the Small Business and Entrepreneurship Committee field hearing to explore innovative ways that Iowa employers, school and policymakers are collaborating to address our state’s [workforce](#) challenges and how federal policies can support these efforts.

# **U.S. Senate Committee on Small Business and Entrepreneurship**

August 16, 2019, Des Moines, Iowa

## ***Testimony of Robert J. Denson, President Des Moines Area Community College (DMACC)***

It is an honor to appear before you today on behalf of the many large and small businesses and communities in our service area and the nearly 60,000 credit and non-credit students who attend DMACC annually seeking one or more of the 250 degrees, diplomas, and certificates we offer. We are proud to offer the lowest tuition and fees in Iowa to DMACC students.

I would like to address several issues that our businesses, students, parents, and communities face. To sum up: “workforce, workforce, workforce.”

### **I. Increased academic and career advising in K-12, particularly in middle and high school, is sorely needed.**

a. On behalf of Governor Reynolds and the Governor’s STEM Council, I have worked with the Iowa School Counselor Association to help better engage school counselors in helping students engage in STEM careers and the occupations that need them.

b. With a target goal of 250 students per counselor, the national average is 482. Iowa is close to the national average at 499. <https://ct.counseling.org/2017/10/u-s-student-school-counselor-ratio-shows-slight-improvement/>

c. A recent survey showed that administrators, school boards, and counselors agreed that counselors should be doing more career and college advising, but they also agreed that their duties related to class registration, mental health, discipline, etc., do not give them the time to do it.

d. Students and their parents are inundated with college and university solicitations, but generally do not have the information, background, support, and time to sort out career goals and the best college for them. Much time and money is wasted.

e. America’s workforce shortages would decline if students and parents received more and better information, career awareness, and professional guidance - the earlier the better.

## **II. We must provide more skill training to prisoners while they are incarcerated to improve their chances of success upon release and to fill needed jobs.**

a. “Over 10,000 ex-prisoners are released from America’s state and federal prisons every week and arrive on the doorsteps of our nation's communities. More than 650,000 ex-offenders are released from prison every year, and studies show that approximately two-thirds will likely be rearrested within three years of release.”  
[https://www.justice.gov/archive/fbci/progmenu\\_reentry.html](https://www.justice.gov/archive/fbci/progmenu_reentry.html)

b. Our work in the Newton Men’s Prison and Mitchellville Women’s Prison resulted in the Iowa Department of Corrections telling us that those coming out with our credentials had a 9% recidivism rate. Those without the credential had a 29% recidivism. For several years, the DOC would deliver prisoners to us for welding classes at 10:00 p.m. and pick them up at 2:00 a.m. Funding is the challenge.

c. There is a current program in place to give waivers so some community colleges can access PELL for prisoners to pay for skill training. This needs to be granted to more community colleges and made available to all offenders getting close to release.

## **III. Small business training works and needs to accelerate.**

a. DMACC recently completed the first 2 cohorts of training for the Goldman Sachs Foundation called “10,000 Small Businesses,” with the goal of increasing their revenue and growing their workforce. Seventy-six business owners graduated last Friday at the State Fair with the Governor presiding.

b. The curriculum, delivered by Iowa community colleges and developed by Babson College, has trained over 8,600 businesses nationally and needs to continue.

## **IV. Supporting quality short-term training is necessary.**

a. We support the use of PELL for short-term training, and thank Senator Ernst for being a co-sponsor of this legislation.

b. Community colleges are highly regulated and, as a result, quality and cost are assured, all protecting the student consumers and the businesses that hire them.

c. We urge you to put in place strict safeguards to make sure consumers receive the highest quality training, and that the training is guided by the businesses that are looking for skilled talent. The training should be by regionally-accredited academic entities and established with a credit conversion so students can use the training credits should they later want it as a part of, or desire to enroll in, a diploma or degree.

d. DMACC has more than 50 short-term credit certificates that can stand alone or fit into a diploma.

#### **V. Work-Based Learning opportunities help students.**

a. Many students need employment as they pursue their academic goals.

b. Providing high school and college students the opportunity to work and receive income from businesses in the area of their career goals really works. Led in our area by companies like Accumold, Shazam, Vermeer, TMC Trucking, etc., both registered and non-registered apprenticeships have proven successful in Iowa.

c. We need to continue to streamline the processes leading to the development of these opportunities so that companies see the early hiring of young people as the smart way to start building their skilled-worker pipeline.

#### **VI. Student debt is a drag on the economy, the students, and the families who are burdened by it.**

a. There is a server at a restaurant near my office who has a 4-year degree and says she has her student loan debt “paid down to \$90,000.” As you know, her story is not unusual in a \$1.56 trillion dollar debt world, impacting 44.7 million students, 12% being delinquent. <https://studentloanhero.com/student-loan-debt-statistics/>

b. Free higher education may or may not be the answer, but more support for financial counseling, in conjunction with increased career and college advising and work-based learning, likely is.

c. Governor Reynolds’ Future Ready Iowa Last Dollar Scholar Program is getting very good early results, focusing on great Iowa jobs in high demand occupations, helping 1000 DMACC students this fall. This program has great potential.

#### **VII. Equipment expenses continue in great training areas like Wind Technology.**

a. High demand and growing fields, like Wind Technology, can grow only if they have skilled workers.

b. Wind training, like many career and technical program areas, has very sophisticated and expensive equipment needs. We must train our students on the same equipment they will experience on the job.



c. Any support we can receive to help cover the cost and to keep up with current technology would be appreciated.

We have a long list of needs in order to best address the excitement of a strong economy.

We appreciate your continuing support.