

TESTIMONY OF

**Katie Ralston Howe, Director, Workforce Development Division**

Chair Heinert and members of the House Education Committee. My name is Katie Ralston Howe, workforce director for the North Dakota Department of Commerce. In my role, I also have the pleasure of serving as the director of the industry-led Workforce Development Council. I'm here in support of House Bill 1398.

Lack of available workforce is arguably one of North Dakota's greatest challenges right now. The problem is multifaceted and centered around a lack of people and a mismatch of skills needed to fill our open jobs. Preparing for the workforce starts with our youngest learners and it's important that we give them opportunities to develop the skills they need to be successful when they enter the world of work.

By ensuring all students take computer science and cybersecurity courses throughout their education we will prevent a problem that we're facing today: adult jobseekers and workers who lack foundational digital literacy skills. In November 2021, ND was one of six states accepted to the National Governors Association Workforce Innovation Network, which focused on digital equity infrastructure and skill development for our adult population. We learned that 32% of unemployed adults in our state lack digital skills which is disqualifying them from 72.2% of open jobs right now. What this number doesn't speak to are the number of employed individuals who struggle in their work, because they don't have the basic computer and cybersecurity skills needed to perform daily functions using the technology they have at their fingertips. That's an incredible skill mismatch and one that we need to address. Through our research, we identified that all the jobs on our "in-demand" occupations list require digital skills, and many require intermediate to advanced digital skills. We also found that higher levels of digital skill in occupations in ND are associated with higher incomes. In fact, changing to an occupation that requires higher levels of digital skills can increase annual income by an average of \$660 per year.

Today, nearly every job is an IT job and reliance on technology will increase across all industries. When reviewing North Dakota's most in-demand jobs, it's easy to see how nearly all interact with technology through the devices used, email and the internet, not just in the work that's performed in these jobs, but in the job application process and in the training programs designed to prepare workers in these fields. Having foundational digital skills is already expected in the same way as strong communication skills, ability to work with others, punctuality, and more, and it's important that we equip all North Dakotans for success in the workplace.

I'd like to highlight that the opportunity presented in Section 4 of HB 1398 to provide resources to communities of all sizes to help adult learners, jobseekers, and workers advance their digital skillsets to enhance their participation the labor market is aligned with one of the recommendations included in our NGA report. It also aligns well with requirements under the Digital Equity Act.

By passing HB 1398, we will support the creation of a talent pipeline that has the skills that ND employers need to fill their open jobs, maintain operations, and grow, while ensuring ND workers

remain competitive in a global economy. Thank you for the opportunity to share my support for this bill. I am happy to answer your questions.