Doc H's Blog

**Kentucky Education Commissioner
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September 13, 2013

Well-educated workforce key to Kentucky's prosperity

This week, I read a report from the Economic Analysis and Research Network entitled "A Well-Educated Workforce is Key to State Prosperity." The report began by asking the question – "What can state governments do to boost the economic well-being of their people?" The report summarizes that incomes and wages increase when productivity increases. There are several key policy levers to increase productivity: investments in public infrastructure, technological innovation at public universities and workers through the education and training systems.

Many states, including Kentucky, have been taking the opposite approach to investment in the workforce. We have seen in the last four years, major reductions to base funding for our K-12 and our higher education systems. Recently, one state, Florida, took an approach of trying to lure employers from Kentucky to the sunshine state. This strategy does not work in the long run since there is very little investment in helping to make the existing workforce more productive.

The report provides several key findings that our policy makers in Kentucky need to review.

1) Overwhelmingly, high-wage states are states with a well-educated workforce. There is a clear and strong correlation between the educational attainment of a state's workforce and median wages in the state;
2) States can build a strong foundation for economic success and shared prosperity by investing in education;
3) Cutting taxes to capture private investment from other states is a race-to-the-bottom strategy that undermines ability to invest in education (I hope Gov. Scott in Florida reads this);
4) States can increase the strength of their economies and their ability to grow and attract high-wage employers by investing in education and increasing number of well-educated workers, and;
5) Investing in education is also good for state budgets in the long run, since workers with higher incomes contribute more through taxes over the course of their lifetimes.

As I reported to the Interim Joint Subcommittee for P-12 education this week, it is time to reinvest in Kentucky education.

For a number of years, Kentucky educators have done significantly more with less. Kentucky education is one of the fastest improving education systems in the nation. However, our educators have hit a wall. Without significant reinvestment in P-12 education, we will begin losing ground. When we lose ground as a state, we have a **less** well-educated workforce. When we have a **less** well-educated workforce than our neighbors, we lose jobs and potential employers who pay living wages.

This conversation needs to happen in every community. Every superintendent, teacher, parent and business leader needs to have this conversation with their local school boards and state legislators. We are not going to "cut" our way to prosperity in Kentucky. Investments in education today will pay huge dividends in the short and long term.

Specifically, I am pushing for three major priorities.

1) Restore the basic SEEK funding per pupil to $3,866 (this will cost $60 million in FY15 and $90 million in FY16 (due to growth and keeping former dropouts in school).
2) Restore funds for safe schools, extended school services, textbooks and preschool. These funds were originally part of the KERA in 1990. We need $60 million each year of the budget.
3) Restore funds to expand access to broadband and network services to our school districts Also, provide a $50 million, 5-year bond to replace aging technology equipment. ($20 million in FY 15 and $20 million in FY16).

While there are many other needs, these are the basic priorities. In a recent meeting with all local superintendents in Kentucky, there was almost universal agreement on these priorities. It is time to connect the dots that a well-educated work force is the key to our commonwealth's prosperity.

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Education Commissioner