

June 3, 2015

Senate Committee on Universities and Technical Colleges
Public Hearing
Thursday, June 4, 2015

Dear Chairperson Harsdorf and Committee Members:

Western Technical College and the entire Wisconsin Technical College System, have a strong history of working collaboratively with employers to determine workforce needs and provide innovative programming that produces qualified graduates. Through grants, like the one proposed in SB 163 (the Senate companion to Assembly Bill 86 (SB 163/AB 86)), technical colleges can upgrade their equipment and programming to include the latest technologies and customize the training to the unique industries in each college's district. Technical colleges face a challenge. With both a cap on state funding and a limit on property tax revenue growth, technical colleges have little room to add new equipment and programming that meets the ever-changing training and education needs of key industry clusters like manufacturing and healthcare. These grants would allow for advancements that will benefit employers well into the future.

The grant in SB 163/AB 86 also addresses two other necessary growth areas: dual enrollment and veteran training. Dual enrollment opportunities allow high school students to receive both credit toward their high school diploma and college credit, which directly ladders into a career pathway at Western and other colleges. The veteran grants provide funding for career services and other support services that help veterans not only enroll in colleges near where they live but helps them be successful in the education and training they undertake. By reaching out to both the K-12 and veteran populations, these grants enhance each college's ability to expand services, and grow the pipeline of skilled workers to our local employers.

Finally, technical colleges like Western have reliable track records in both running grant programs with clear outcomes and rules, and working with employers to ensure these grants meet their needs. Each college utilizes advisory committees, business and industry focus groups, and their Business and Industry Services units to stay connected with employers. This makes technical colleges uniquely poised to make these grants successful and productive for our students, our employers, and the Wisconsin economy.

We hope you will support SB 163/AB 86 and allow the Wisconsin Technical College System to help fill the skills gap and provide the qualified graduates our employers so desperately need.

Sincerely,



Lee Rasch, EdD
President



Lee Rasch, Ed.D.

President

400 Seventh Street North | La Crosse, WI 54601

t: 608.785.9100 | c: 608.792.3137 | f: 608.785.9205 | e: raschl@westerntc.edu

westerntc.edu



JULIE LASSA

STATE SENATOR

Testimony of Senator Lassa Senate Bill 163 Senate Committee on Universities and Technical Colleges June 4, 2015

Thank you Chairwoman Harsdorf and committee members for this opportunity to testify in support of Senate Bill 163, the Workforce Growth Program. This is an expanded and revised version of a proposal this committee heard in 2013. It would create a competitive grant program under the Wisconsin Technical College System (WTCS) similar to the successful Workforce Advancement Training Grant model. Like WAT grants, it will promote increased investment in existing worker training and expands technical college training services to help businesses and industry meet their training needs. In addition to expanding the capacity of the original Workforce Growth Program proposal, the bill before you also includes provisions that would grow Wisconsin's workforce by increasing our support of dual enrollment programs, services that help returning military veterans train for new careers, as well as innovation grants to technical college to help commercialize technology, products, and processes developed at technical colleges.

As a member of the Wisconsin Economic Development Corporation Board of Directors, I have had the chance to attend business roundtables all over the state, hearing from representatives of companies large and small, in every industry sector, talk about the hurdles they face in growing and adding jobs in our state. Along with access to capital, these businesses invariably cite their difficulty in finding workers with the specialized skills they need. Simply having a diploma or a certificate is not enough. Today's workers often need highly technical training that applies to a specific type of machinery or production process. What works in one company may not work in a similar business down the road. Large companies may have the resources to take employees off line and provide the instructors and facilities needed for this specialized training. But small to medium sized companies – the ones we know are creating the majority of jobs in our state – often do not. Their inability to find or train the skilled workforce they need is a major impediment to growth in our state.

I am also a member of the Governor's Council on Workforce Investment, and in that capacity I have been learning about the looming workforce shortage that is facing our entire state, regardless of industry. While Wisconsin's general population is predicted to increase by about 12 percent between now and 2030, its civilian labor force will remain essentially flat. The labor shortage this will create will be especially intense in positions that are currently filled by older workers – and these positions tend to be jobs that require advanced training and technical skills. Fields such as construction, manufacturing, transportation and utilities, finance, education and health care are all dominated by workers 35 and older. As these workers reach retirement age,

the demand for skilled labor driven by economic growth will be made even greater by the need to replace workers leaving the labor force.

Our Technical College System is on the front lines of addressing that need, particularly through the Workforce Advancement Training, or WAT, Grant Program. WAT grants allow companies to work with individual technical colleges to provide short-term specialized training programs for incumbent employees in a wide range of technical and management skills.

The WAT Grants have been a true success story. Hundreds of these grants have been made to fund training partnerships between businesses in need of specialized training and their local technical colleges. There were 68 of these grants in fiscal year 2014 alone, funding projects that trained nearly 9,500 individuals. These grants have benefited companies all over the state.

A WAT grant helped Wisconsin Indianhead Technical College work with Northwire in Osceola to upgrade the skills of its workers, who manufacture cutting-edge specialty wire, cables and assemblies. Southwest Tech helped Dilman Equipment in Prairie du Chien introduce Lean Manufacturing techniques into its asphalt equipment manufacturing operations. MAG Giddings and Lewis in Fond du Lac trained its employees in Operational Excellence with the support of Moraine Park Technical College. Western Technical College provided advanced manufacturing training for the members of the Equipment and Metal Manufacturers Association. And in Baraboo, Madison College provided group leadership skills training that helped Seneca Foods expand its can manufacturing facility.

These are just a handful of examples that demonstrate the importance of our technical colleges in providing the specialized training that helps keep our manufacturers competitive and growing here in Wisconsin.

I like to describe the Workforce Growth Program as being like the WAT Grant program on steroids.

Under this \$20 million program, a business, a consortium of multiple businesses, workforce development board or an economic development organization would partner with the local technical college to apply to WTCS through a competitive grant process for workforce growth funding to meet their local skilled worker training needs.

Unlike the WAT grant program, however – and also unlike the Wisconsin Fast Forward program – the funding in SB 163 would be directly targeted at building the capacity of our technical colleges to address local, market-driven demand for skilled workforce training. Depending on the needs in a particular region or industry in our state, the grants could be used to expand facilities, purchase equipment, hire faculty or develop curriculum.

Workforce Growth Program funding could also be used to address student needs such as training scholarships, student career support services, job placement, and business recruitment.

Recognizing that there is no one-size-fits-all solution for the skills gap problem, the Workforce Growth Program is flexible enough to provide the help that's needed, where it's needed, to address the existing demand for workforce skills training in Wisconsin.

I have been asked why we need the Workforce Growth Program given the other investments the Legislature has made in workforce development in recent years and in the current budget proposal. What is unique about the Workforce Growth Program, however, is that it will result in a technical college system with an expanded capacity to help both new and incumbent employees get the cutting-edge training that will help them stay in good paying jobs, and help their employers grow and expand.

In addition, the funding in this bill needs to be seen in the context of a Tech College program budget that has remained essentially flat since the \$79 million cut the Tech College system took in the 2011 budget. We need to do more to help Wisconsin's technical colleges build capacity to better address business and local community needs.

The Workforce Growth Program will be a rapid response that targets funds not only at the industry sectors and skill sets that have the greatest demand, it will target them toward the institutions that have the best track record and are the most strongly positioned to address the skills gap – our technical colleges. And when that \$20 million has been invested, the people of Wisconsin will be left with a stronger tech college system, one that will help Wisconsin workers and businesses change with the changing demands of the world economy.

Along with the Workforce Growth Program, the bill also provides \$2,500,000 annually to fund a four-year veterans success grant for WTCS districts. These grants would enable districts to expand existing programs for veterans, including outreach, counseling services, assistance for individuals using state and federal veteran educational benefits, and other programs, as well as identify additional strategies to support veterans. We know that these kinds of programs have a major impact on helping veterans make the most effective use of their educational opportunities and get the kind of training they need to transition into successful civilian careers.

The bill would also help high school students prepare for the world of work by enabling more of them to enroll in technical college programs while they are still in high school. The bill invests \$3,000,000 in 2016-17 for a grant program that would fund the creation or expansion of dual enrollment programs. These grants would help technical colleges mitigate the costs for coordinating these programs between high schools and technical colleges, student transportation, curriculum design and implementation, and other costs associated with dual enrollment programs.

Finally, the bill would enhance the economic impact of tech colleges on our local communities and our entire state by promoting the development of new products and businesses that arise from innovations developed by faculty and staff. These grants are designed specifically to match grants from the WEDC Capital Catalyst program that helps provide not just investment capital, but training, mentoring and other support to new entrepreneurs. Developing a culture of entrepreneurship has helped our UW campuses nurture the growth of new Wisconsin businesses and jobs, and this program would help our tech colleges achieve the same success.

I would note that these additional programs were all identified by the Technical College System Board as priority budget requests for the current biennium, but were not included in the Executive Budget proposal.

Thank you once again for holding a hearing on SB 163 today, and I urge you to give this bill your support as we work together to address the state's skills gap today, and better position us to cope with an even greater workforce shortage we face in the coming years.



June 4, 2015

Senate Committee on Universities and Technical Colleges

Senate Bill 163

Representative Peter Barca

Chairwoman Harsdorf and members of the Senate Committee on Universities and Technical Colleges; thank you for holding a public hearing on Senate Bill 163, which will create a Workforce Growth competitive grant program, a K-12 Dual Enrollment program, Veterans Success grants, and Innovation grants through the state technical college system.

I serve as a board member on the Wisconsin Economic Development Corporation. As we meet with business leaders statewide, one of their top concerns is an inability to find workers who possess the skills needed to fill their open positions. In the recent years prominent state manufacturers have even gone as far as buying full-page newspaper advertisements to seek qualified individuals.

A recent 2015 WMC Economic Outlook Survey found 64% of businesses say they are having trouble finding workers. That is up from 53% in June 2014 and 60% in January 2014.

To attempt to bridge the gap between available jobs and unemployed workers we have developed the **Workforce Growth** program in conjunction with the Wisconsin Technical College System (WTCS) and the Wisconsin Technical College District Boards Association.

We have expanded this program from 2013 AB 52 to provide funding at a level to address the state's waiting lists for training. We have also incorporated aspects of the 2015-17 WTCS budget request including a K-12 Dual Enrollment program, Veterans Success grants, and Innovation grants.

First, this proposal creates the Workforce Growth competitive grant program, modeled on the successful Workforce Advancement Training Grant model, which promotes increased investment in worker training and expands technical college training services to help businesses and industry meet their training needs. The program will also attempt to relieve capacity issues in high-growth, high-demand industry sectors (insufficient numbers of classes available, classroom space, equipment or instructors to meet demand) and pipeline issues (making training more affordable, encouraging individuals to seek training in high-demand industries).

Under this program, businesses, workforce development boards or economic development organizations would partner with their local technical college to apply to WTCS through a competitive grant process for funding to meet their local skilled worker training needs. This could be used for training scholarships (criteria to be based on local labor market need), building/infrastructure construction, purchasing equipment, cost recovery for hiring faculty, curriculum development in partnership with industry and aligned with industry standards leading to a certificate or degree, and/or student career support services including job placement and business recruitment. The criteria used by WTCS to determine grant recipients will emphasize projects that focus on sectors that have a high employer demand, eliminating waiting lists in high-demand sectors/job types, and the speed by which training or activities performed under the program could result in job-ready skilled workers.

Second, the proposal creates a **Dual Enrollment pilot program** for grants to technical colleges to create new or expand existing dual enrollment between K-12 schools and technical colleges to begin high school students on the path toward gaining the skills they will need to secure employment in the workforce. Studies have shown high school students that participate in dual enrollment are more likely to complete school, enroll in college, and earn a credential. Cost-neutral dual enrollment programs can also save families college tuition costs.

This proposal also creates a **Veterans Success Grant program** to reach out to veterans, assist them in exploring career options, and provide veterans training for employment or higher education. In recent years veteran unemployment rates have exceeded rates for the general population. These brave soldiers gain unique skills serving their country and this program is intended to assist in transitioning these skills and building upon them to ensure they can find gainful employment when they come home.

Finally, this proposal creates an **Innovation program** to provide grants to technical college faculty, staff, and students to assist with the commercialization of technical college-developed products or ideas in order to provide a link between training and entrepreneurship.

Thank you for your time today and I would appreciate your support when Senate Bill 163 comes for a vote before this committee.

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STATE REPRESENTATIVE
STEVE DOYLE

WISCONSIN STATE ASSEMBLY

94TH DISTRICT

June 4, 2015

Senator Sheila Harsdorf
Chair, Senate Committee on Universities and Technical Colleges

Dear Sen. Harsdorf and Committee Members,

Thank you for holding a public hearing on Senate Bill 163, the Workforce Growth, Dual Enrollment, Veterans Success Grants, and Innovation Grants Bill. Unfortunately, I was not able to be in Madison to give testimony for this hearing but I hope that you will keep this letter in mind during your debate today. There are four main components of this bill and they all serve to create jobs in Wisconsin: 1) the Workforce Growth grant program, 2) the Dual Enrollment pilot program, 3) the Veterans Success grant program, and 4) the Innovation program.

SB 163 and its companion AB 86 creates a competitive grant program that was developed with the help of the Wisconsin Technical College System and the Wisconsin Technical College District Boards Association. The Workforce Growth competitive grant program would be similar to the successful Workforce Advancement Training Grants model which was signed into law last summer. This program would attempt to relieve capacity issues in high-growth, high-demand industry sectors, ensuring sufficient numbers of classes, classroom space, proper equipment, and trained instructors that are available to meet demand. It also seeks to make training more affordable, and encourage individuals to get training in high-demand industries.

The Dual Enrollment pilot program provides grants to local technical colleges to expand or, in some cases, create dual enrollment programs between K-12 schools and technical colleges. These programs encourage our students to earn the skills they need to join the workforce and allow them to take advantage of the educational resources in their community. The third program, the Veterans Success Grant program, works to connect our veterans to training in employment or higher education. The Innovation program provides for grants to technical colleges with the aim of encouraging entrepreneurship and the commercialization of technical college-developed products.

This bill and the grant programs it creates would construct a targeted process to help address the gap between our trained workers and the jobs currently available. By connecting businesses, technical colleges and the students they serve, this bill will put many in Wisconsin on the path towards meaningful employment.

I hope the committee will consider this proposal as a way to invest in our workers and our state businesses who have expressed a need for skilled workers. Thank you, Chair Harsdorf and Committee Members, for allowing me to offer this written testimony today.

Sincerely,

STEVE DOYLE
State Representative
94th Assembly District



Testimony on Senate Bill 163

Senate Committee on Universities and Technical Colleges
June 4, 2015

Todd Costello, Executive Director
Community Living Alliance
608-242-8335, Ext. 1372
costellot@clanet.org

Thank you Chairwoman Harsdorf and committee members for the opportunity to testify in support of Senate Bill 163, the Workforce Growth Program, I am grateful to Senator Lassa for introducing Senate Bill 163 and the commitment to addressing Wisconsin's workforce needs.

Through my work as a Board Member of both the Wisconsin Long Term Care Workforce Alliance and the Wisconsin Personal Services Association, I have significant exposure to one of the fastest-growing fields in the state, the long-term care workforce. I am pleased to see the bill is an expanded and revised version which creates a competitive grant program under the Wisconsin Technical College System which promotes increased investment in existing worker training and expands technical college training services to help businesses and industry meet their training needs. The proposed Bill would grow Wisconsin's workforce by increasing support of dual enrollment programs, supporting returning military veterans, and encourages coloration through innovation grants to Technical Colleges to support local businesses training needs. This Bill has the opportunity to impact one of Wisconsin's fastest growing occupation, the direct care workers.

Wisconsin's long-term care workforce consists of Personal Care Aides, Home Health Aides and Nursing Aides who care for the elderly and people with disabilities. It totals over 90,000 workers, making it the largest occupational group in the state. In fact, Home Health Aides and Personal Care Aides are projected to be the fastest and third fastest-growing occupations in Wisconsin through 2018, increasing by 38 percent and 34 percent, respectively.

In its Olmstead decision, the U.S. Supreme Court ruled that individuals with disabilities have a right to live in the community. Many people with disabilities, as well as the elderly, rely on Personal Care Workers and Home Health Aides to complete activities of daily living, such as bathing and getting dressed in the morning. As a result, the long-term care workforce plays an important role in ensuring that people with disabilities and the elderly are able to live independently and in the setting of their choice.

One of the most significant challenges facing the long-term care workforce is high turnover rates, which is compounded by a shortage of available family caregivers and a rapidly aging population. The Department of Health Services projects that Wisconsin's elderly population will grow by over 100,000 people between 2010 and 2015, one-third of whom will require long-term care. And a recent report released by AARP projects that by 2030 there will be, on average, only 4 available family caregivers for each person who is 80 or older-down from an average of seven in 2010. Long-term care workers will play an important role in caring for Wisconsin's aging population, but the field is faced with a growing shortage of skilled workers. The Wisconsin Office of Economic Advisors projects a need for 30,000 direct-care workers between 2008 and 2018-approximately one-third of these vacancies will be due to replacement needs.

Finding well-trained individuals to fill these positions will be incredibly important for both strengthening Wisconsin's economy and ensuring that individuals with disabilities and the elderly receive quality care.

I believe Senate Bill 163 increased investment in existing worker training and expanding technical college's training services will create a greater opportunity to promote collaboration between employers, direct care workers, the Wisconsin Technical College System. This will not only greatly improve the skills of the individuals entering the long-term care workforce but may also address the high turn over that is currently experienced. Moreover, SB 163 would allow long-term care providers and technical colleges to develop comprehensive curriculum based on industry best practices.

SB 163 is an important step in addressing the challenges facing the long-term care workforce, and we hope this Committee and the Legislature continues to invest in and support a quality workforce. Therefore, I ask the Committee to support Senate Bill 163.

Thank you.

A handwritten signature in black ink, appearing to read "Todd Costello". The signature is fluid and cursive, written on a white background.