



SCOTT WALKER

OFFICE OF THE GOVERNOR

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Working for Wisconsin: Governor Scott Walker Announces Workforce Development Initiatives for Legislative Session

Madison – Today, Governor Scott Walker announced workforce development priorities for the upcoming 2013-14 legislative session. For the legislative session, the Governor’s priorities will be focused on growing our economy, developing our workforce, transforming education, and reforming government. The package of eight workforce development bills are the first in the Governor’s legislative agenda and further announcements will be made in the future.

“These bills build on the near \$100 million workforce development investment in our budget,” said Governor Walker. “We look forward to working with legislators on these bipartisan bills aimed at getting workers the skills necessary to fill available jobs through apprenticeship and additional funding for workers with special needs.”

The workforce development package will invest an additional \$8.5 million in new state funds and secure an additional \$14 million in new federal funds for vocational rehabilitation programs.

The 2013-15 Biennial Budget invested over \$100 million in workforce development aimed at equipping workers with the skills they need to find jobs in the modern workforce, including targeted investments in the Wisconsin Technical College System and traditional K-12 education. In addition, the Wisconsin Fast Forward initiative invests \$15 million in worker training grants awarded by the new Office of Skills Development. This initiative includes the creation of a new Labor Market Information System, which will connect job seekers and the unemployed with employers in need of workers. It is also aimed at helping students learn about what careers are growing, which will put them in a better position to fill the jobs of tomorrow.

The workforce development bills will include:

- Smart investments in apprenticeship training programs;
- Vocational rehabilitation services for those with special needs;
- Assistance for the unemployed who want to transition into new careers;
- Incentives for high schools graduating students with job ready credentials;
- Scholarships for high school seniors who excel in career and technical education courses;
- Getting state licensees tested, trained, and to work faster;
- Helping low-income and low-skilled workers transition into employment;
- Tuition reimbursement for apprentices and employers.

LRB 2949 - Investing in Youth Apprenticeship (Sponsors: Representative Nerison and Senator Harsdorf): Increase funding for Youth Apprenticeship by \$500,000 annually so funds can meet demand. The Youth Apprenticeship program is a proven, nationally-recognized strategy to develop the next generation of the workforce. Enrollees receive on the job training, as well as technical college-level instruction at their local high schools.

Last year, nearly 1,900 apprentices at 1,300 employers were trained. The program touched 210 school districts and 81 percent of the program graduates received job offers with the employer who provided the training.

This funding would build on the strong investment of \$1.8 million in the most recent state budget for Youth Apprenticeship. Consortia all across the state say they can train even more with additional funding. In total, funding would be \$4.6 million over the next two years.

LRB 2976 - Apprenticeship Tuition Reimbursement for Apprentices and Employers (Representative Nerison and Senator Harsdorf): Provide funding to reimburse the student or employer for 25 percent of the apprenticeship tuition and fee cost up to \$1,000 per apprentice. The Wisconsin Apprenticeship program's origins date back as far as 1911. It is the nation's oldest program. The program combines on-the-job training with classroom instruction to meet worker and employer needs. The training is most often provided by technical colleges. Graduates of the program can receive national-industry recognized credentials providing employers with a highly skilled workforce.

Apprentices increase their skills as well as grow their wages. On average, nearly 10,000 apprentices in manufacturing, construction, and service industries learn skills each year. The average annual earnings of a person who completes an apprenticeship roughly equal those of a college graduate and nearly double those of a high school graduate.

Summary:

- Reimburse the employer or student apprentice for 25 percent of their tuition and fee cost up to \$1,000 per apprentice.
- Encourage more Wisconsin employers to participate in the program.
- Help develop a more skilled workforce for employers and more workers able to earn higher wages with those skills.
- Apprenticeship is a time tested strategy to equip workers with high demand skills.

LRB 3115 - Technical Education Incentive Grants (Representative Petryk and Senator Gudex): Invest in an incentive program, originally proposed by Superintendent Tony Evers, offering a \$1,000 per pupil incentive payment to school districts. Eligible school districts will establish programs encouraging students to earn industry recognized certificates in high-need occupations before graduation from high school. High-need occupations would be determined in cooperation with the Department of Workforce Development and the Wisconsin Technical College System. The program would begin in the 2014-15 school year giving time for the occupations to be chosen and schools to prepare.

Encouraging schools to graduate more pupils with industry recognized credentials in high-need fields is important for the future of our workforce. Both the Governor's College and Workforce Readiness Council and the Be Bold 2 study had these goals.

Senate Bill 274 and Assembly Bill 351 - Vocational Rehabilitation Services (Senator Shilling and Representative Shankland): Invest nearly \$4 million state funds in vocational rehabilitation services for

persons with special needs. It is expected the state investment would be matched with \$14 million from the federal government over the next two years. The Department of Workforce Development estimates nearly 3,000 more individuals could be served over the next two years.

LRB 3026 - Technical Excellence Higher Education Scholarship (Representative Krug and Senator Gudex): Fund new scholarships to reward students who are top of their class for technical education to use at state technical schools.

The current Academic Excellence Higher Education Scholarship rewards students who are the top of their class with a state scholarship. This program is a great incentive for students to succeed in the classroom; however, very few students use the scholarship to pursue a technical education. In the 2012-13 academic year, only 16 of 726 first-year scholars used their award to attend a state technical school.

This new scholarship would mirror the current one, but allow school boards to design the criteria for awarding the scholarship. Scholarships would first be awarded in the 2015-16 academic year giving schools time to establish criteria and select scholarship award winners.

LRB 3054 - Wisconsin Workers Win Update (Representative Loudenbeck and Senator Lazich): Continue Wisconsin Workers Win pilot program, which expired this year, for another two years, as well as incorporate recommendations to improve upon the original pilot program to make it a more impactful tool to help unemployed workers gain job skills for available jobs. The program operated in three high-unemployment areas and was a voluntary option for unemployed workers to train in a new occupation, while continuing to receive unemployment. It will help match job-seekers with potential employers and provide an opportunity to gain skills in a real-world job training experience.

Last session, the Wisconsin Workers Win pilot program was created. It was modeled after other state programs such as Georgia Works. In less than one year of operation the program saved the Unemployment Insurance Trust Fund \$80,000, reduced the weeks on UI for those enrolled, and saw 166 participants have positive employment outcomes. The average starting wage was \$13.56 per hour for participants and the average age of those participating was 45.

LRB 1866 - Licensing Reform (Senator Lasee and Representative Kooyenga): Allow prospective licensees to take their licensing exams at the Department of Safety and Professional Services prior to completing their training. Though the license would not be issued until training was complete, this would allow new license holders to begin work immediately upon completion of training. Currently, some prospective licensees must wait months to take an exam keeping them from beginning work in their profession. This bill removes unnecessary waiting time after graduation so that newly trained workers can get into the workforce faster.

LRB 3183 - Transitional Jobs Program Expansion (Representative Weatherston and Senator Darling): Create a new Transitional Jobs Program to serve cities or counties with high unemployment and/or child poverty rates through the Department of Children and Families. This provides low-income adults with immediate income, work opportunities, and the ability to gain skills for long-term employment. The Department would use existing agency funds to run the program. The number of communities served would depend on available funding.

The Transitional Jobs Demonstration Project was established to provide low-income adults with an immediate income, an opportunity to develop the skills and experience their local labor market demands, and a positive work history. It provided those without other options with longer-term career preparation and support to move to unsubsidized employment. From September 2010 to June 2013, 4,074 workers participated in the program.

The Transitional Jobs Demonstration Project ended in June of this year. Its successor, the Transform Milwaukee Jobs program, was created in the biennial budget targeted to Milwaukee.

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