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(FORM UPDATED: 08/11/2010)

## WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2013-14

(session year)

# <u> Assembly</u>

Committee on Workforce Development...

## **COMMITTEE NOTICES ...**

Committee Reports ... CR

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## INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

Appointments ... Appt (w/Record of Comm. Proceedings)

Clearinghouse Rules ... CRule (w/Record of Comm. Proceedings)

Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)

(ab = Assembly Bill)

(ar = Assembly Resolution)

(ajr = Assembly Joint Resolution)

(sb = Senate Bill)

(**sr** = Senate Resolution)

(sir = Senate Joint Resolution)

Miscellaneous ... Misc

<sup>\*</sup> Contents organized for archiving by: Stefanie Rose (LRB) (October 2014)

#### **Assembly**

## **Record of Committee Proceedings**

## **Committee on Workforce Development**

#### **Assembly Bill 49**

Relating to: increasing the funding for grants to provide skills enhancement services and making an appropriation.

By Representatives Pasch, Milroy, Hebl, C. Taylor, Bewley, Kahl, Ringhand, Jorgensen, Berceau, Bernard Schaber, Barca, Pope, Ohnstad, Billings and Kolste; cosponsored by Senators Lassa, Hansen, Miller, Lehman, C. Larson and Shilling.

March 01, 2013

Referred to Committee on Workforce Development

February 04, 2014

#### **Public Hearing Held**

Present:

(13) Representative Loudenbeck; Representatives Pridemore, Bernier, Kuglitsch, Born,

Weatherston, Kulp, Ringhand, Billings, Barnes,

Kolste, Shankland and Wachs.

Absent:

Representatives Petryk, Knodl and Severson.

Excused:

(0) None.

#### Appearances For

- Sen. Julie Lassa 24th Senate District
- Jonathan Bader WISCAP
- Amy Treptow

(3)

- Lynn Jones Community Action, Inc.
- Andrew Kankel CAP Services
- Jessica Hadley

#### Appearances Against

• None.

#### Appearances for Information Only

• None.

#### Registrations For

• None.

#### Registrations Against

• None.

#### Registrations for Information Only

None.

April 08, 2014	Failed to pass	pursuant to Senate	Joint Resolution 1	
April 00, 2017	ranca to pass	Pursuant to Senate	oome resolution r	

Lonna Morouney Committee Clerk







February 3, 2014

TO: Rep. Amy Loudenbeck, Chair,

The Assembly Committee on Workforce Development

FROM: Jonathan Bader, Programs Manager,

**Wisconsin Community Action Program Association (WISCAP)** 

RE: Testimony in support of AB 49 to increase funding for the Community Action

**Skills Enhancement Program** 

I'm testifying today in support of increasing state funding for the Community Action Skills Enhancement Program (SEP). We thank Representative Pasch for her sponsorship of AB 49 and for Senator Lassa's tireless advocacy for providing economic opportunity to low-income citizens, evidenced here by her sponsorship of this legislation in the Senate.

The Skills Enhancement Program - which was created with bipartisan support - is designed to improve the incomes of low-wage workers in Wisconsin by providing educational opportunities so they can obtain the skills they need to get better paying jobs with benefits. Skills Enhancement emphasizes short-term, demand-driven, job-focused post-secondary training, mainly at community & technical colleges. SEP helps participants - most of whom are low-income parents - overcome barriers to education by providing financial assistance to help pay tuition & fees, child care & transportation to attend classes. Staff provides comprehensive case management, and work with participants to develop individualized training goals that reflect their interest, aptitude and local job opportunities. Increasing Wisconsin's investment in Skills Enhancement makes sense because:

- Skills graduates **substantially increase their incomes.** Since June 2010 when GPR funds became available, 299 participants have completed training. Within 9 months of finishing training 227 graduates (79%) report obtaining new jobs that pay an average of **\$2.95 more per hour** and **pay \$9,020 more in annual wages** a **75**% increase during the worst economic cycle in memory.
- Skills graduates are conservatively projected to earn \$320,000 more on average throughout their working lifetimes. As earnings increase they pay more income taxes & rely less on public resources.
- Skills graduates report a **370% increase in access to employer-sponsored health care benefits** (rising from 10% before to 47% after graduation), reducing reliance on publically-funded health care.
- Comprehensive case management contributes to a SEP graduation rate (57%) that's higher than the national average for community colleges (45%), despite the challenge of managing work, school and family responsibilities on a limited income.

- **SEP directly leverages other educational funds by a factor of 4:1.** Statewide SEP pays an average of \$1,062 per successful graduate for tuition, fees, books, child care and transportation, while other educational sources pay \$5,097.
- Current state funding enables local agencies to serve only a limited number of participants in 40 counties (less than \$15,000 GPR per agency). Increasing the investment in Skills Enhancement to \$500,000 annually (from \$250,000) would enable Community Action Agencies to improve staffing levels, double the number of participants and reach more Wisconsin counties.
- A \$250,000 funding increase over 5 years would be expected to produce an additional 350 graduates with better jobs and benefits. By 2020 the accumulated increased earnings just of these additional graduates is projected to total \$9.4 million dollars from an increased state investment of \$1.25 million.

#### **Skills Enhancement Client Testimonials**

"When I went to back to school I was on FoodShare, BadgerCare, child care assistance, and energy assistance. I am now self-sufficient. Since obtaining my job I have gotten off all community assistance programs, purchased a new vehicle, and just recently received a promotion to charge nurse. I owe all of this to the Skills Enhancement Program... Me and my children thank you!" Skills Enhancement Graduate: Jessica Hadley

- "...(Skills Enhancement) helped me get on the right track with my schooling. Financially, there is no way I could have been able to finish the Respiratory Program. . . I love being a Respiratory Therapist! Thank you for making my dreams come true!" Skills Enhancement Graduate:

  Anonymous
- "...(Skills Enhancement) is an unbelievable program and I was very fortunate to have the chance to be a participant. I am so thankful for their assistance and owe them so much. So from the bottom of my heart, thank you, thank you, thank you. The hard work paid off and I did it." Skills Enhancement Graduate: LaKisha Jackson







DATE: February 3, 2014

TO: Rep. Amy Loudenbeck, Chair,

The Assembly Committee on Workforce Development

FROM: Lynn Jones, Employment & Training Director,

Community Action, Inc. of Rock and Walworth Counties

RE: Testimony in support of Assembly Bill 49 for the Community Action Skills

**Enhancement Program** 

On behalf of our local Community Action and as a WISCAP partner agency, I join in expressing first, our thanks for the efforts to assist low wage workers through the Skills Enhancement Program and then I'd like to share the impact of the existing program and the opportunity that you have to assist many WI citizens through Assembly Bill 49.

The Skills Enhancement Program provides access to job training along career pathways in demand occupations. The program aligns individuals with career pathways by matching the aptitude/interests to demand occupations based on the local labor market information and workforce needs. Skills Enhancement Program households have demonstrated work ethic by working at least 20 hours per week and are striving to gain the skills necessary to support their family and work in a career that has potential for self-sufficiency and benefits, thereby reducing the burden on public assistance.

It is important to understand the program addresses the unmet needs of the participants. Through extensive case management staff review training and financial options. This means that as short term training is identified in career pathway plans, other funding options have been explored, which may include financial aid, Workforce Investment Act training resources and even personal finances. The Skills Enhancement resources then address training related gaps, such as child care, transportation, tuition and fees.

The households are diverse, yet hold the common goal of stuck in a entry position and lack the resouces to advance. The program is not a hand out but a ladder up to career potential. Aarus came to the Skills Enhancement program following incarceration, becoming a father and wanting to change the direction of his life. He was working a retail job for \$7.60/hr., 30 hours per week. His career direction and interest was computers and he successfully completed the Computer Technician traning at Blackhawk Technical College in December of 2012. He struggled with finding employment due to his past record, but with ongoing support he slowly moved up the career ladder, first with an opportunity in Madison with a IT company for \$12.50/hr., 40 hrs/wk, and benefits, then on January 16<sup>th</sup>, 2014 he called me and shared that he now has a position with School District of Beloit at their Administration

office to help with the implementation of their new computer system with increased wages and benefits. He is now back in his community, giving back and a positive role model for his son. He received financial aid for the program tuition, so we invested funds to assist with transportation, books and certification expenses. He credits the staff for their continuous support that he needed to remain engaged and strong during his challenging work search efforts.

This is only one example of many, our participants are working, going to school and juggling multiple family responsibilities so I regret they could not be here today to attest to the program value. The example of Aarus further demonstrates the ability the Skills Enhancement program as another opportunity to address the statistic that we don't want to have in WI as having the highest rate of incarcerated African American males. Providing support and career opportunities for low income households is the program foundation and I'd like to close with just another snapshot from a young mother who chose a non-traditional training option:

Jessie came to the program after an extensive farm background and work with a farm equipment manufacturer, she became a single mother and new she wanted to develop a career. In her work with staff, she identified welding as an interest. Her creative, work ethic and attention to detail resulted in her Outstanding Student Achievement Award as she gained her Welding Certification from Blackhawk Technical College. Jessie has moved from an \$8/hr job to \$14/hr fulltime employment with benefits. The program was able to support her with child care, transportation and welding equipment training costs during her participation. Jessie has been extremely appreciative of the program and continues to build her skills while supporting her family and no longer receives public assistance.

These examples only touch the surface of our programs, whether it's health care, computer training, welding, or another demand training direction, the Skills Enhancement Program does well in providing both guidance and resources. I therefore support providing this opportunity to even more low wage workers who may reach their potential and make a difference in their lives, their community and eliminate the need for public assistance.







17 Park Place, Suite 950 Appleton, WI 54914 920-968-6365 FAX: 920-832-9566 info@capmail.org www.capservices.org

February 4, 2014

Rep. Amy Loudenbeck, Chair Assembly Committee on Workforce Development

Good afternoon Rep. Loudenbeck and members of the Committee,

Thank you for the opportunity to talk to you today about AB 49. My name is Andrew Konkel and I'm with CAP Services' Skills Enhancement Program.

CAP Services established the Skills Enhancement Program in 1991 to assist working poor individuals and families stuck in low-paying jobs with little room for advancement and most likely without employee benefit many of us enjoy. To support working-poor individuals in becoming more economically and emotionally self-sufficient, the program increases access to short-term post-secondary education, such as an associate's degree or technical diploma, and develop skills that will help them compete for living-wage jobs with employer-sponsored benefits.

CAP Services started the program initially in the Fox Cities (Outagamie County) area and expanded to include Portage, Waupaca, and Waushara County by the year 2000. In the last three years, CAP has served an average of 260 individuals per year, with an average of 41 graduates per year. In fact, CAP recognized its 700<sup>th</sup> program graduate last year.

While there is no typical Skills Enhancement Program participant, they are all in low-income situations and struggle to get ahead without other assistance available to them. Roughly 60 to 70% of our participants are single mothers that can barely make ends meet without the additional costs of school, transportation, and child care.

The Skills Enhancement Program provides funding assistance for tuition, books, and other training-related needs, as well as the costs of training-related child care and mileage. Working with staff, a training plan is constructed and approved, ensuring it will provide access to a career job with increased wages and employer-sponsored benefits. Skills staff provide one-on-one emotional support as well, incorporating a holistic approach that recognizes most low-wage-earners face multiple barriers to becoming self-sufficient.





17 Park Place, Suite 950 Appleton, WI 54914 920-968-6365 FAX: 920-832-9566 info@capmail.org www.capservices.org

In 2013, 44 individuals in CAP's four county service area successfully completed their training plan and increased their self-sufficiency. The average hourly wage increase of these completers was \$6.06 per hour and the average annual increase was just over \$17, 200. 70% or 31 out of the 44 completers now have access to employer-sponsored health benefits as well. These 44 completers were enrolled for an average of 33.5 months. An average of \$4,241 was spent in direct participant expenses, resulting in more than a 4 to 1 return on investment. And consider the value of increased payroll taxes on the higher wage. CAP's overall success rate for 2013 was 89%. I'm attaching profiles of some of our grads, along with testimonials on the value of the program.

We all understand the value of a good job. This program has demonstrated its value in helping low-income individuals better compete for the kinds of jobs that increase self-sufficiency. Because of the program's results over the past 2 decades, the network of community action agencies saw fit to find ways to expand the model statewide.

Please consider supporting AB 49. Doing so will help increase the numbers served statewide and lead to an even greater impact on the working poor individuals and families throughout the great state of Wisconsin. It's truly a win for individuals, employers and the community at large!

Thank you,

Andrew Konkel, Assistant Director





I would like to receive a copy of all materials that include my story

I wish to remain anonymous in all materials

Signature

## Testimonial Request

CAP Services, Inc. often receives requests from our funders, such as the United Way or Boldt Corporation, for testimonials from participants who have been successfully been through the Skills Enhancement Program or are currently in the program. In many instances these organizations have the desire to share your success story with their staff, community, local legislators, and even other local organizations and businesses.

We are asking you to write a brief testimonial on behalf of the Skills Enhancement Program. You may want to write about how you and/or your family benefited from CAP Services and the Skills Enhancement Program. Explain how the services that were offered to you affected your life by sharing some details of your life before and after the Skills Program. Please be sure to sign and date the consent statement at the bottom of this form as well. If you need more room please use the back of the paper. e before CAPSVCS was a single monthiorking 40 hrs a week making 10.50/hr and not able to afford living. for me to go to school to become an RI for mileage, books, and even my uniform an making more than double my previous THANK YOU On behalf of the individuals whose lives have been touched by reading your message of success, thank you! 920 - 470 -1823 I hereby give consent to CAP Services, Inc. to share my success story with others who want to learn how the Skills Enhancement Program can benefit others.

Participant is a female head of household with four children living in Kimberly (Outagamie County). Upon enrollment in the Skills Enhancement Program she was working as a teller at a bank 22 hours per week, earning \$10.25 per hour, without benefits. She was receiving BadgerCare and now receives no public assistance. She graduated in December 2011 from FVTC with an associate's degree in the RN program. She is now working as an RN at a healthcare facility 40 hours per week, earning \$22.43 per hour, with benefits. This is an increase of \$12.18 per hour and an annual increase of over \$34,900 per year! She was enrolled in the Skills Enhancement Program for 27 months. Skills assisted with tuition, books, exam fees, and mileage, totaling \$2,769.13.

**Terry Cotter** 



Signature

I wish to remain anonymous in all materials

## **SKILLS ENHANCEMENT PROGRAM**

I would like to receive a copy of all materials in which my story is included

CAP Services, Inc. often receives requests from our funders for testimonials from participants who have successfully completed the Skills Enhancement Program. Please use this space to share your testimonial or any successes (personal or professional) that you have had since completing the Skills Enhancement Program.

When I went back to school I was on Good Share,
budger cone, chied care assistance, tenergy assistance.
I am Now seef sufficient, since obtaining my
Job at Select I have gotten of all community
assistance Programs, Purchased a new vehicle and
Just recently recieved a promotion to charge
Nurse. I owe are of this to the skiels enhancement
Rogan through Cap Services, me and my
Children Hank You!
I hereby give consent to CAP Services, Inc. to share my success story with others who want to learn how the
Skills Enhancement Program can benefit others.

Participant is a female head of household with two children living in Appleton (Calumet County). Upon enrollment in the Skills Enhancement Program, she was working as a CNA at a health care facility 20 hours per week, earning \$13.00 per hour, without benefits. She was receiving BadgerCare, WIC, child care assistance, and FoodShare. She attended FVTC, and earned an associate degree in nursing, graduating in December 2009. She was hired as an RN at a hospital, working 36 hours per week, earning \$28.36 per hour, with benefits. She is no longer receiving public assistance. This is an increase in her hourly wage of \$15.36 and an annual increase of over \$39,500! She was enrolled in the Skills Program for 25 months. Skills assisted with tuition, books, child care, and mileage, totaling \$5,312.95. Jessica Hadley

November 26, 2013

Ashley Sweedy 910 W. Pine Street New London, WI 54961

CAP Services 101 Tower Road Waupaca, WI 54981

RE: Skills Enhancement Testimony

To Whom It May Concern:

Since completing the CAP Services Skills Enhancement Program, I have gained more confidence in my professional career and have adapted many of the skills learned to my work and personal life. I was able to walk out of Fox Valley Technical College with an Associate's Degree in Business Management, Phi Theta Kappa membership and Dean's List Honors - all made possible by having CAP Services backing and support. CAP Services not only provided financial support but they also gave encouragement and direction. It was like having a personal life coach rooting in your corner and giving you the resources to get your goals accomplished! I couldn't have asked for anything more from them and the experience set me up for all the success in the world!

Sincerely,

Ashley A. Sweedy

Participant is part of a two parent household with one child living in New London (Waupaca County). Upon enrollment in the Skills Enhancement Program she was working as a partner in a family business 20 hours per week, earning \$6.50 per hour, without benefits. At enrollment she was receiving BadgerCare, FoodShare, and WIC. She now receives no public assistance. She earned an associate's degree in the business management program from FVTC in December 2012. She is now working three different jobs, with two of the jobs being for the same employer. She is working as an administrative assistant at a police department 15 hours per week, earning \$11.00 per hour, without benefits; and, another 2 hours per week at \$10.00 per hour. She is also working for the county court system 10 hours per week, earning \$11.00 per hour, without benefits. This totals 27 hours per week, earning an average of \$10.93 per hour. This is an increase in her wages of \$4.43 per hour and an annual increase of over \$8,500. She was enrolled in the Skills Enhancement Program for 57 months. Skills assisted with tuition, books, and mileage, totaling \$8,914.55.

**Ashley Sweedy** 







## JULIE LASSA STATE SENATOR

#### Assembly Committee on Workforce Development Tuesday, February 4, 2014 1:00pm. 415 Northwest

Chairwoman Loudenbeck and members of the Assembly Committee on Workforce Development, thank you for allowing me to testify before you today on Assembly Bill 49, a proposal to expand the WISCAP Skills Enhancement Program. This program improves the incomes of low-wage workers in Wisconsin, 94% of whom are low-income parents, by providing educational opportunities so they can obtain the skills they need to get family-supporting jobs.

Skills Enhancement emphasizes short-term, demand-driven, job-focused training, mainly at community and technical colleges. Along with assistance with tuition and fees, the program also helps with child care and transportation costs, helping low-income families overcome barriers to education. Staffs work with participants to help develop individualized training goals that reflect both the participants' skills and local job opportunities.

From the time state funding was approved for this program as part of the CORE Jobs Act in 2010, 299 participants completed training. Of these, 227 report obtaining new jobs that have increased their annual income an average of \$9,020 – a great return on the program's investment of \$1,062 per participant. Skills Enhancement Program graduates are conservatively projected to earn \$320,000 more on average throughout their working lifetimes. As earnings increase, they pay more income taxes and rely less on public resources. In addition, Skills Enhancement graduates report a fivefold increase in access to employer-sponsored health care benefits.

The funding increase proposed in this bill would enable an additional 140 participants over the biennium to graduate and obtain better paying jobs. Their cumulative increase in incomes is estimated to be nearly \$3.76 million.

Thank you for holding a hearing on AB 49 and for allowing me to speak before you today. I would be happy to answer any questions.





# Assembly Bill 49 Testimony of Representative Sandy Pasch Assembly Committee on Workforce Development February 4, 2014

As the lead Assembly author of Assembly Bill 49, I would like to thank Chairwoman Loudenbeck and the Committee on Workforce Development for holding this hearing and allowing me to submit testimony in support of this bill today.

The WISCAP Skills Enhancement Program emphasizes demand-driven, job-focused training at community and technical colleges. WISCAP Staff work with participants – 94% of whom are low-income parents – to overcome barriers to education by providing financial assistance to help develop individualized training goals that reflect both the participant's skills and local job opportunities. As well as providing assistance for tuition and fees, the program also helps participants with child care and transportation costs, helping low-income families overcome the traditional barriers to education.

Since state funding was approved for the Skills Enhancement Program as part of the CORE Jobs Act in 2010, 299 participants have completed their training. Of these 299 participants, 227 report obtaining new jobs that pay \$2.95 more per hour on average, earning them \$9,020 more in annual income — a 75% increase in income — which has been extremely hard for many to come by this past economic cycle.

The Skills Enhancement Program graduates are expected to earn at least \$320,000 more on average throughout their working years. As their earnings increase, they will pay more income taxes back to the state and rely less on costly public resources. In addition, Skills Enhancement graduates report a five-fold increase in access to employer-sponsored health care benefits.

With existing funding levels, local Skills Enhancement Program budgets are small – less than \$15,000 per agency – and are insufficient to support full-time staff and provide services in every county.

This bill would provide the WISCAP Skills Enhancement Program with a \$250,000 annual funding increase each year over the biennium. This would enable 350 more participants to graduate and obtain better paying jobs over the next five years, assuming a continuation of funding.

As an author of this bill, I think this legislation will be highly beneficial to Wisconsin workers seeking jobs across the state. Thank you again for this hearing on the bill, and feel free to contact my office with any questions.

#### **10TH ASSEMBLY DISTRICT**







## ASSISTANT DEMOCRATIC LEADER WISCONSIN STATE ASSEMBLY

February 25, 2014

Representative Amy Loudenbeck 209 North, State Capitol Madison, WI 53703

Dear Representative Loudenbeck,

I am writing to request that you call a vote on Assembly Bill 49, which would provide the WISCAP Skills Enhancement Program with a \$250,000 annual funding increase each year over the biennium, in the Committee on Workforce Development.

The WISCAP Skills Enhancement Program emphasizes demand-driven, job-focused training at community and technical colleges. WISCAP Staff work with participants – 94% of whom are low-income parents – to overcome barriers to education by providing financial assistance to help develop individualized training goals that reflect both the participant's skills and local job opportunities.

Since state funding was approved for the Skills Enhancement Program as part of the CORE Jobs Act in 2010, 299 participants have completed their training. Of these 299 participants, 227 report obtaining new jobs that pay \$2.95 more per hour on average, earning them \$9,020 more in annual income – a 75% increase in income – which has been extremely hard for many to come by this past economic cycle.

The Skills Enhancement Program graduates are expected to earn at least \$320,000 more on average throughout their working years. As their earnings increase, they will pay more income taxes back to the state and rely less on costly public resources. In addition, Skills Enhancement graduates report a five-fold increase in access to employer-sponsored health care benefits.

I think this legislation will be highly beneficial to Wisconsin workers seeking jobs across the state, and it is for that reason, as well as all those stated above, that I urge you to schedule a vote on this bill.

Please feel free to contact me with any other questions regarding this bill.

Sincerely,

Sandy Pasch

10<sup>th</sup> Assembly District





My name is Amy Treptow...I've always worked hard and played by the rules, but due to circumstances beyond my control I found myself living on the brink of poverty. My story is the story of millions in today's economy in which there aren't enough jobs and/or adequate training for the ones that are available. Without different forms of assistance I would have never found a pathway back to work, yet the basic need for more good jobs and training programs seems to be overlooked in today's conversation about poverty.

I am a veteran and a divorced mother with two children. I went to school to become an elementary school teacher, but wasn't able to find full-time employment, so I enrolled in the SKILLS ENHANCEMENT program at my local community action agency in Wisconsin. The program assists low-income adults who are working a minimum of 20 hours per week to gain job skills in order to be able to have a job that pays a better living wage with health benefits. I was working as a contract teacher in Colfax, Wisconsin making around \$15,000 a year, which is far below the poverty line for a family of three. Once I enrolled in the program, I started to take course work to get certified as a reading teacher. In order to go back to school, I had to take out additional student loans. The SKILLS ENHANCEMENT PROGRAM helped me pay a portion of my tuition and other school expenses, as well as provided me with case management services. I am now a full time employee with benefits working as as a Reading Intervention teacher with the Reedsburg Area School District helping low-income children.

A few weeks ago I was honored to be recognized by the National Half-In-Ten Invitational for my success. I traveled to Washington DC and had the opportunity to share my experiences with Congressman Ryan and Pocan as well as Barbara Lee. My story was even read into the Congressional Register marking the 50th Anniversary on the War on Poverty.

Training for good jobs that provide benefits are what's needed to get families like mine back on track – so many people want to work, we need more training and work opportunities to succeed in today's economy. Now that I am employed and making a stable living, I can do my part for the economy so that hopefully more families can have the opportunities that I had.