

☞ **13hr_AC-WD_ab0400_pt01**



(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2013-14

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on Workforce Development...

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

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) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

* Contents organized for archiving by: Stefanie Rose (LRB) (October 2014)

Assembly

Record of Committee Proceedings

Committee on Workforce Development

Assembly Bill 400

Relating to: participation in certain training by unemployment insurance claimants, granting rule-making authority, and making an appropriation. By Representatives Loudenbeck, Kuglitsch, Ballweg, Bernier, Czaja, Endsley, Kahl, Kestell, Kolste, Krug, LeMahieu, Marklein, Nygren, Ohnstad, Petryk, Sinicki, Stone, Thiesfeldt, Weatherston, Vruwink, Kaufert and Bernard Schaber; cosponsored by Senators Lazich, Moulton, Cowles, Darling, C. Larson, Lehman, Olsen, Shilling and L. Taylor.

October 03, 2013 Referred to Committee on Workforce Development

October 09, 2013 **Public Hearing Held**

Present: (13) Representative Loudenbeck; Representatives Petryk, Knodl, Kuglitsch, Severson, Born, Weatherston, Ringhand, Billings, Barnes, Kolste, Shankland and Wachs.

Absent: (0) None.

Excused: (2) Representatives Pridemore and Bernier.

Appearances For

- Representative Amy Loudenbeck - 31st Assembly District
- Senator Mary Lazich - 28th Senate District
- Jonathan Barry - Department of Workforce Development

Appearances Against

- None.

Appearances for Information Only

- None.

Registrations For

- John Bauknecht - UMOS
- Paul Gabriel - Wisconsin District Boards Association
- Brian Dake - Wisconsin Independent Businesses
- Chris Reader - WMC
- Christine Sinicki - 20th Assembly District

Registrations Against

- None.

Registrations for Information Only

- None.

October 17, 2013

Executive Session Held

Present: (15) Representative Loudenbeck; Representatives Petryk, Pridemore, Knodl, Bernier, Kuglitsch, Severson, Born, Weatherston, Ringhand, Billings, Barnes, Kolste, Shankland and Wachs.

Absent: (0) None.

Excused: (0) None.

Moved by Representative Bernier, seconded by Representative Knodl that **Assembly Amendment 1** be recommended for adoption.

Ayes: (15) Representative Loudenbeck; Representatives Petryk, Pridemore, Knodl, Bernier, Kuglitsch, Severson, Born, Weatherston, Ringhand, Billings, Barnes, Kolste, Shankland and Wachs.

Noes: (0) None.

ASSEMBLY AMENDMENT 1 ADOPTION RECOMMENDED,
Ayes 15, Noes 0

Moved by Representative Kolste, seconded by Representative Petryk that **Assembly Bill 400** be recommended for passage as amended.

Ayes: (15) Representative Loudenbeck; Representatives Petryk, Pridemore, Knodl, Bernier, Kuglitsch, Severson, Born, Weatherston, Ringhand, Billings, Barnes, Kolste, Shankland and Wachs.

Noes: (0) None.

PASSAGE AS AMENDED RECOMMENDED, Ayes 15, Noes 0

Lonna Morouney
Committee Clerk

Patricia

Vote Record Committee on Workforce Development

Date: 10-17-13

Moved by: Bernier

Seconded by: Knodl

AB 400

SB _____

Clearinghouse Rule _____

AJR _____

SJR _____

Appointment _____

AR _____

SR _____

Other _____

A/S Amdt 1

A/S Amdt _____ to A/S Amdt _____

A/S Sub Amdt _____

A/S Amdt _____ to A/S Sub Amdt _____

A/S Amdt _____

A/S Amdt _____ to A/S Amdt _____ to A/S Sub Amdt _____

Be recommended for:

- Passage
- Adoption
- Confirmation
- Concurrence
- Indefinite Postponement
- Introduction
- Rejection
- Tabling
- Nonconcurrency

Committee Member	Aye	No	Absent	Not Voting
Representative Amy Loudbeck, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Warren Petryk, Vice Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Don Pridemore	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Daniel Knodl	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Kathleen Bernier	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Mike Kuglitsch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Erik Severson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Mark Born	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Thomas Weatherston	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Janis Ringhand	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Jill Billings	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Mandela Barnes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Debra Kolste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Katrina Shankland	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Dana Wachs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Totals: 15 0 0 _____

Motion Carried Motion Failed

Vote Record Committee on Workforce Development

Date: 10-17-13

Moved by: K. Kolste

Seconded by: Petryk

AB 400 SB _____ Clearinghouse Rule _____
 AJR _____ SJR _____ Appointment _____
 AR _____ SR _____ Other _____

15

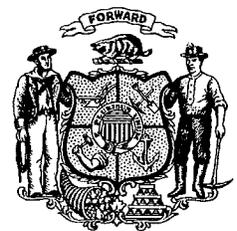
A/S Amdt _____
 A/S Amdt _____ to A/S Amdt _____
 A/S Sub Amdt _____
 A/S Amdt _____ to A/S Sub Amdt _____
 A/S Amdt _____
 A/S Amdt _____ to A/S Amdt _____ to A/S Sub Amdt _____

~~Be recommended for:~~
 Passage *AS amended* Adoption Confirmation Concurrence Indefinite Postponement
 Introduction Rejection Tabling Nonconcurrence

<u>Committee Member</u>	<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Not Voting</u>
Representative Amy Loudenbeck, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Warren Petryk, Vice Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Don Pridemore	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Daniel Knodl	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Kathleen Bernier	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Mike Kuglitsch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Erik Severson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Mark Born	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Thomas Weatherston	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Janis Ringhand	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Jill Billings	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Mandela Barnes	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Debra Kolste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Katrina Shankland	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Dana Wachs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Totals: 15 0 0 _____

Motion Carried Motion Failed



Department of Workforce Development
Secretary's Office
201 East Washington Avenue
P.O. Box 7946
Madison, WI 53707-7946
Telephone: (608) 266-3131
Fax: (608) 266-1784
Email: sec@dwd.wisconsin.gov

STATE OF WISCONSIN

Department of Workforce Development
Scott Walker, Governor
Reginald J. Newson, Secretary

July 3, 2013

Jeff Renk, Senate Chief Clerk
B20 (SE): State Capitol Bldg
Madison, WI 53707
EMAILED

Patrick Fuller, Assembly Chief Clerk
401 Risser Justice Center
Madison, WI 53707
EMAILED

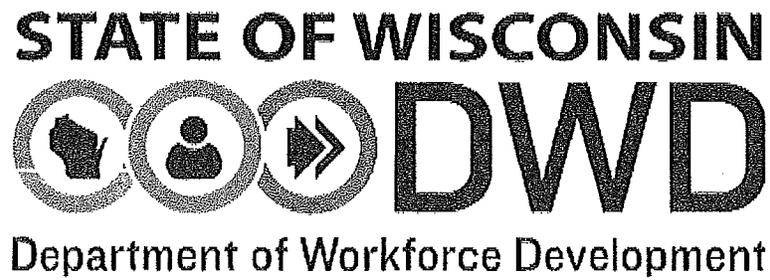
Dear Mr. Renk and Mr. Fuller:

Please find attached a report of the outcomes of the Wisconsin Workers Win (W3) pilot program. This report to the legislature is required under 13.172(2) to be submitted to the chief clerk in each house. We respectfully request you share this report with legislators or members of the public who request it. I can be reached in my office at 267-1410 should you have questions.

Sincerely,



REGGIE NEWSON
Secretary



Wisconsin Workers Win (W3)

2013 Report to the Wisconsin State Legislature

Wisconsin Department of Workforce Development

This report is provided to the Wisconsin State Legislature by the Department of Workforce Development, as required by 2011 Wisconsin Act 123, Section 9 summarizing the Department's activities in the Wisconsin Workers Win program from 2012-2013.

Introduction

On March 12, 2012, Governor Walker signed into law 2011 Act 123, putting into place the Wisconsin Workers Win (W3) pilot program. This voluntary training program, which garnered unanimous support from members of the Wisconsin State Legislature, allows Unemployment Insurance (UI) claimants who are in the first 20 weeks of regular benefits to enroll and be matched with participating employers for up to six weeks of training while they are collecting UI benefits. Participating claimants have the opportunity to develop new skills or demonstrate existing skills to potential employers, and participating employers have access to pre-screened trainees who have the potential to become new hires following the training period. The program was modeled after similar models utilized in other states, such as the Georgia Works program.

As required by 2011 Wisconsin Act 123, Section 9, this report summarizes activities for the W3 pilot for 2012-13. Specifically, this report includes:

- An overview of the W3 law and pilot.
- Efforts to administer the W3 pilot, both directly by DWD and through partnerships with regional providers.
- W3 pilot participation levels, program expenditures and outcomes.
- Recommendations and considerations based on the W3 pilot.

Summary of Results

The W3 program drew interest from many Unemployment Insurance claimants: 753 were deemed eligible and enrolled in the W3 program and 166 individuals gained employment through their direct association with the program. The average starting wage for W3 participants was \$13.56 per hour. The average time W3 participants collected UI benefits before entering employment was 14.8 weeks, or 1.8 weeks less than the statewide average of 16.6 weeks. As a result, the draw on the UI trust fund was reduced by about \$82,468.

Program overview

Key components of the W3 pilot program include:

- Pilot program operated from June 1, 2012 to June 3, 2013 in three geographic regions including Southeast Wisconsin, Southwest Wisconsin, and the Milwaukee area.
- The pilot program allowed for the voluntary enrollment of up to 500 UI claimants.
- Eligible claimants had to be within the first 20 weeks of initial receipt of UI benefits.
- Training was limited to part-time (20-24 hours per week) for not more than 6 weeks.
- Participating UI claimants were required to continue to conduct weekly work searches during their training period.

- Claimants were eligible for a \$75 weekly stipend to defray costs associated with participating in the W3 pilot.
- Employers were required to submit a Declaration of Insurance to cover Worker's Compensation liability.
- Worksites could not be engaged in current or upcoming layoff activity, or if there had been layoffs in the last 12 months, the W3 training position could not be one that was affected by the layoff.
- Participating employers were not required to make a job offer to the participating claimant following the training period.
- The fiscal estimate to administer the W3 pilot and measure results for the program was \$225,000 in GPR and \$500,000 in WIA funding.

Administration

Vendor Selection

DWD moved expeditiously to set the W3 pilot framework in place. The agency examined similar programs in other states, as well as existing worksite training programs and models in Wisconsin including the Transitional Jobs Program administered through the Department of Children and Families. Following this research, DWD resolved to pursue regional service providers to administer the program through a Request for Proposal (RFP) process. This process culminated in the selection of three regional providers in May 2012:

- United Migrant Opportunity Services (UMOS) of Milwaukee to operate the program in the Milwaukee area.
- Racine County Human Services to operate the program in the southeast Wisconsin area.
- Community Action Inc. of Rock County to operate the program in southwest area of Wisconsin.

DWD selected the three regions based on local unemployment rates, general proximity to one another and potential employer interest. DWD sought out and awarded contracts to providers that operated the Transitional Jobs Program based on the belief that these vendors had experience administering training programs and therefore, would leverage existing contacts with employers and other channels to share information and maximize participation.

As the state agency responsible for overseeing W3, DWD tracked and monitored provider activities, collected claimant and employment data, disbursed the \$75 stipend and distributed funding to the W3 providers as negotiated through the contract. DWD communicated regularly with the providers, engaged in site visits, and maintained

regular communication between the agency's Division of Employment & Training and Division of Unemployment Insurance.

W3 Outreach

Claimants

DWD targeted direct outreach to potential W3 trainees through a variety of channels. Key highlights include:

- DWD shared numerous press releases with statewide media outlets announcing milestones of the program's ramp-up, as well as online resources including a W3 landing page, FAQ section, agency homepage "badge" and other resources.
- DWD's UI Division sent more than 30,000 targeted mailings with information about W3 to new UI claimants. The information included details about the value of the skills training, work-site experience, potential employer connections, and the ability to train in an industry or sector in which the claimant may not have previous experience. The letters encouraged claimants to call their local W3 provider for more information and to schedule an orientation and possibly enroll.
- DWD also alerted potential enrollees through Re-employment services (RES) sessions at local Job Centers.
- W3 vendors shared information about the program with potential enrollees in their respective regions through methods such as face-to-face contacts, literature, and online materials.

These notification efforts began prior to June 1, 2012, and continued through the course of the W3 pilot. In response to these efforts, more than 2,000 people expressed interest in receiving additional information on the W3 program. New UI claimants expressed interest in the W3 program because it presented them the opportunity to demonstrate knowledge and skills to a potential employer and it provided the chance to explore an occupation that they may not have considered previously or one that they had considered but didn't pursue.

Employers

DWD and regional providers conducted outreach to prospective employers through numerous channels including press releases, website resources and social media promotion which encouraged participation. It should be noted that W3 providers were responsible for marketing the program directly to employers as part of their contract to administer W3. The W3 pilot was framed as an effective method to limit risk associated with hiring a new candidate who may not be an exact match for a job opening. In addition, employers could engage in a "trial" phase to work with participants who were considered trainees and not permanent employees. As was the case for outreach to UI

claimants, employer engagement activities began before the launch date and continued during the course of the W3 pilot.

W3 Pilot Outcomes

We gleaned from our numerous outreach efforts that while there was considerable, interest in the W3 program, many employers chose to bypass the training option and instead opted to hire the enrollee immediately following pre-placement interviews. The following table shows the number of employer hires that occurred directly (without W3 worksite training) and hires that occurred post training:

Provider	No. of direct hires	No. of hires after training period
UMOS	55	4
Racine County Human Services.	68	10
Community Action Inc.	20	9
TOTAL	143	23

The legislature directed the Department to support the W3 pilot program with a combination of WIA funds and GPR. The following table represents W3 program costs and account balances by funding source:

WIA Funding	Contract	Expenditure	Balance
Administration	\$45,620	\$44,997	\$623
Program.	\$453,491	\$385,589	\$67,902
TOTAL	\$499,111	\$430,586	\$68,525
GPR Funded			
Stipend	\$225,000	\$22,800	\$202,200
TOTAL	\$724,111	\$453,386	\$270,725*

*Balance does not reflect June invoices from three providers.

In addition to an unspent account balance of \$270,725, including \$202,200 in general purpose revenue, DWD estimates the program had a positive impact on the UI trust fund. The average time W3 participants collected UI benefits before entering employment was 14.8 weeks, or 1.8 weeks less than the statewide average of 16.6 weeks based on the most recent four quarters of data available. The 166 W3 participants had an average weekly benefit rate of \$276 and would have collected an additional \$82,468 in benefits assuming they remained on UI for the statewide average of 16.6 weeks.

Lessons Learned

During focus group meetings with various employers, we learned there were specific areas of concern with the statutory guidelines making up Act 123. Those included:

- **The statutory weekly training limit of 20 to 24 hours per week.** Employers identified this limitation as a significant barrier, noting they had full-time positions and needed to have participants to train at a full-time schedule and not a part-time schedule. They also trained in groups for 40 hours each week which meant the W3 participant would fall behind the other trainees due to his/her limited availability.
- **The statutory requirement to search for work during training period.** Employers were reluctant to provide training for a person who is actively seeking and could find a job with a different employer.
- **The statutory requirement to provide worker's compensation insurance.** Employers cited this as a potential added cost if the trainee is injured onsite during the training period. Some employers noted their insurance carriers would not cover worker's compensation for trainees not on their payroll.

Recommendations & Considerations

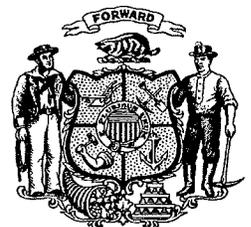
The W3 program is intended to quickly connect recent UI claimants to new employment by matching them with employers that can provide training and, through a successful experience, a new job. The vision to launch the W3 program as a pilot was a prudent one as it allowed the Department and the legislature an opportunity to study what worked well, identify barriers, and make informed decisions about adjustments for future implementation.

If the W3 program continues past the pilot's sunset date of July 1, 2013, the following recommendations and considerations reflect both experiences with the W3 providers and feedback from employers and claimants:

- Training should be allowed for up to 40 hours per week.
- Claimants' work-search requirements should be waived during their participation.
- The program should continue as a pilot in three high unemployment areas but be extended for at least two years and be measured to allow for additional promotion, stabilization, and more utilization.



WISCONSIN STATE LEGISLATURE



Morouney, Lonna

From: Morouney, Lonna
Sent: Thursday, September 19, 2013 12:33 PM
To: Loudenbeck, Amy
Subject: FW: W-3 information

Lonna Morouney
Research Assistant
Committee Clerk for Assembly Committee on Workforce Development
Office of Representative Amy Loudenbeck
31st Assembly District

Office 209 North
PO Box 8952
Madison, WI 53708
608-266-9967 Toll free: (888) 529-0031
Lonna.morouney@legis.wi.gov

From: Morouney, Lonna
Sent: Monday, August 05, 2013 3:32 PM
To: Vick, Jason
Subject: W-3 information

Jason,
Here is the information we discussed. Please let me know if you have any questions. Thanks!

1. Email from Lynn Jones, Director of Employment and Training, Community Action

From: Lynn Jones
Sent: Thursday, September 27, 2012 12:05 PM
To: Lisa Furseth
Subject: W3 Update

I also connected with James Otterstein. RE: W3, reception is lukewarm with employers, seen as another government program and need to overcome the stigma.

Aside from rules and regulations, HR issues are the lack of ability to find individuals with the right attitude, aptitude, and pass a drug screen. He further states that employers have had enough of assessments and focus groups. He went on to further say that initiatives are missing the point, if we could put together a model that:

- provides flexible job training funds
- does not require hiring from a target population group
- does not use excessive compliance reporting
- demonstrated support from peer employers

This would be a "winning recipe" and should be promoted "ASAP".

Lynn Jones
Director of Employment and Training
Community Action Pathways Center
20 Eclipse Center
Beloit, WI 53511-3550

P. (608) 313-1310
C. (608) 290-1729
F. (608) 364-0513
ljones@community-action.org
www.community-action.org

2. Email from JAMES OTTERSTEIN, Rock County Economic Development

11/9/2012 4:32 PM

Stacy:

Due to scheduling conflicts, I cannot attend.

For what it's worth, here are some general employer comments that - while not necessarily specific to W3 - historically have been attributed toward these types of workforce development initiatives.

1. Employers seek to fill job openings with the most qualified applicants. While the financial benefits associated with targeted employment might appear attractive, the proverbial rules/regulations (i.e. strings) negate the monetary value of this assistance.
2. During these lean economic cycles, employers have drilled-down staffing needs to the bare bones. Any extra staff capacity would have to be supported by a sustainable (corresponding) sales figure. Absent that assurance, firms will continue to operate at present staffing; continue to contract extra work out when/where appropriate; or draw upon season labor. Either way, employers are becoming increasingly anxious about the liabilities of having non-work ready individuals onsite. Customer quality assurance mandates, as well as OSHA et al. regulations (specifically for publicly traded firms), reduces the feasibility of having part-time, non-qualified folks in or near production areas.
3. For businesses that have consistent seasonal needs, their staffing requirements are generally contracted out to temporary employment agencies. For some, this arrangement generates hire-than-desired staff turnover; meanwhile, others seem to have an acceptable retention / productivity rate with these arrangements. Granted, there are plenty of variables that impact these outcomes.
4. Generally speaking, companies would prefer to have workforce development programs that provide flexibility: flexibility to choose the most qualified employee; flexibility to apply funds toward on the job and/or classroom based training; flexibility to select the training provider of choice, regardless if the provider is from the public/private sector or located in/out of state/nation; and the flexibility to apply said training assistance toward various industry sectors, as well as occupational categories, as best determined by the business. Businesses understand the need for reporting and compliance; however, if these functions require extra staff time or expertise (not to mention other nuances that could impact the ability of the business to operate efficiently/effectively) above an acceptable level the value proposition is lost.

If you have any questions, give me a call.

James

>>> Stacy Warn <swarn@community-action.org> 11/9/2012 1:33 PM >>>

Hi James,

I received your contact information from Marc Perry, I am sending you this invitation in hopes you can attend!

The Wisconsin Department of Workforce Development along with Community Action invites you to participate in an Employer Forum regarding the Wisconsin Workers Win Program. The event is Tuesday, November 13 at 8 am, should

only last one hour, and is being held at the Community Action Pathways Center in Beloit. The forum is being facilitated by the Department of Workforce Development and they are looking to hear from you on your thoughts of the W3 Program and how it can be improved. There will also be a State Assembly Person present to hear your opinions; this is your chance to let DWD hear your thoughts. Your presence is necessary to make this a successful event. The event invitation is attached to this email.

There will be a continental breakfast provided. Please RSVP to Stacy Warn, Wisconsin Workers Win Program Coordinator ASAP at 608-313-1337 or swarn@community-action.org<<mailto:swarn@community-action.org>>.

We look forward to hearing your feedback! See you there.

Stacy Warn
Wisconsin Workers Win (W3) Program Coordinator
Community Action Pathways Center

3. Email from Connie Schulze in regard to W-3 Power Point Error

Tue 11/13/2012

We have asked DCF to take this down and have told our DET staff not to use this PP again without correcting slide 5.

Linda Preysz is going to notify the providers ASAP that the statutory language is to be followed and that opens the program up to jobs that are less than full-time. Hopefully that will help with placements!

Thanks again for the phone call. Your input got this ball rolling more quickly than it would have if I had waited for Linda's report on the focus group recommendations.

Connie Schulze
Legislative Liaison
Wisconsin Department of Workforce Development
201 E. Washington Avenue, A400
Madison, WI 53703
Ph: 608/266-1756 Fax: 608/266-1784
connie.schulze@dwd.wisconsin.gov

From: Morouney, Lonna [<mailto:Lonna.Morouney@legis.wisconsin.gov>]
Sent: Tuesday, November 13, 2012 2:48 PM
To: Schulze, Connie R - DWD
Subject: W-3 presentation link

http://dcf.wisconsin.gov/w2/ci/2012/pdf/www_presentation_062212.pdf

Under 'Eligible Employers'
"must have a full-time position"

4. Meeting with Betsy Sheets, constituent

Friday, March 29, 2013

Betsy contacted the Rep. Loudenberg office with complaints about the W-3 program. She agreed to meet in the district with Rep. Loudenberg and staff to discuss her experiences with the W-3 program.

We met with Betsy at Starbucks in Janesville. She is a constituent from the Town of Richmond in Walworth County. Betsy said that she lost her job six months ago, and subsequently applied for UI at which point she was notified that she qualified for the W-3 program. After signing up for the program, she attended a mandatory 3 day orientation in

Kenosha. Part of the orientation was mock interviews with criticism from other participants. It was a significant commute for her to travel to Kenosha to the orientation and she received no benefit from it. She said that Chris Henning was the coordinator of the program.

A week later she participated in an optional job fair in Pleasant Prairie in which 12-15 employers were available. The employer she was interested in working for, Sweetener Supply in Elkhorn, was a 'no show'.

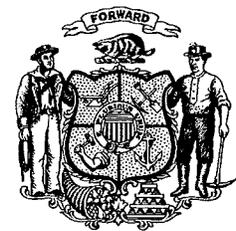
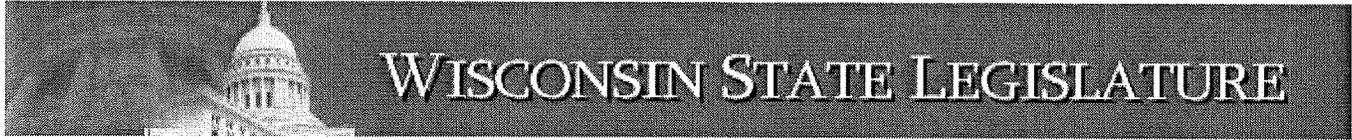
Betsy received one job offer from her W-3 involvement, the employer was in Kenosha (60 miles away from her home) and the pay was \$12/hour. With transportation costs, it was not a job she could take.

Kaiser Group contracted for the \$75/week payment, so she had to complete separate paperwork with Kaiser to receive her payment.

Betsy was told that she had to participate in the Kenosha program, even though she lives in Walworth County. She was told that she couldn't work in Rock County while in the program.

Lonna Morouney
Research Assistant
Committee Clerk for Assembly Committee on Workforce Development
Office of Representative Amy Loudenbeck
31st Assembly District

Office 209 North
PO Box 8952
Madison, WI 53708
608-266-9967 Toll free: (888) 529-0031
Lonna.morouney@legis.wi.gov



Morouney, Lonna

From: Sen.Lazich
Sent: Thursday, September 26, 2013 2:02 PM
To: *Legislative Senate Republicans; *Legislative Senate Democrats; *Legislative Assembly Republicans; *Legislative Assembly Democrats
Subject: Co-Sponsorship of LRB-3227/2 and LRB3054/2 Wisconsin Workers Win - Special Occupational Training Pilot Program
Attachments: DWD W3 Report .pdf; LRB 3227-2.pdf

To: Legislative Colleagues
From: Senator Mary Lazich and Representative Amy Loudenberg
Date: September 26, 2013
Re: Wisconsin Workers Win Special Occupational Training Pilot Program LRB – 3227/2 and 3054/2
DEADLINE: Wednesday October 2, 2013, 5 PM

During the 2011-2012 legislative session the legislature unanimously approved 2011 Wisconsin Act 123, creating a Special Occupational Training pilot program for Unemployment Insurance (UI) claimants with a July 1, 2013 sunset.

LRB-3227/2 and companion bill LRB 3054/2 will re-establish the W3 pilot program.

Administered by DWD, the W3 pilot program would allow UI claimants to receive occupational training while receiving UI benefits for up to six weeks. Employers participating in the W3 pilot program would need to apply with DWD and have one job opening for each training participant in a position that a successful participant would qualify to fill. However, the employer is not obligated to hire the trainee after the training period ends.

The W3 pilot program benefits participating employers and job seekers and the state of Wisconsin. In less than one year, the initial pilot program saved the UI Trust Fund \$80,000, reduced weeks on UI for enrollees, and 166 participants had positive employment outcomes.

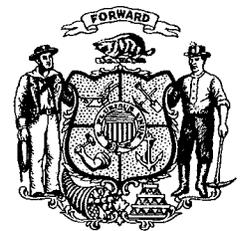
The W3 pilot program proposal is modeled after successful training programs in Georgia and New Hampshire. The Wisconsin Unemployment Insurance Advisory Council supports the concept of the W3 pilot program and says the program would help unemployed workers get back into the workforce while providing the workers with new skills.

LRB-3227/2 and LRB 3054/2 incorporates the following changes to 2011 Wisconsin Act 123:

- Increases the maximum number of hours per week that a claimant may participate in special occupational training under the W3 pilot program from 24 to 40 hours per week.
- Removes the 20 hour per week minimum for participation.
- Requires DWD to waive UI work search and registration requirements for claimants receiving at least 24 hours of occupational training under the W3 pilot program
- Sunsets the program after two years following the bill's enactment.
- Requires a report about the program to the legislature and the governor after 22 months to assist with the decision whether to consider extending the program.

Attached is the report issued by the Department of Workforce Development (DWD) about the Wisconsin Workers Win (W3) pilot program.

Please respond to this email or contact Senator Lazich's office at 6-5400 or Representative Loudenbeck's office at 6-9967 by October 2, 2013 at 5:00 PM to sign on to this legislation



Morouney, Lonna

From: Morouney, Lonna
Sent: Thursday, October 03, 2013 8:59 AM
To: Sieg, Tricia
Subject: RE: W3 cosponsor list

AB 400

Great! Here's my final list-I'll get it turned in this morning.

1. Kuglitsch
2. Ballweg
3. Bernier
4. Czaja
5. Endsley
6. Kahl
7. Kestell
8. Kolste
9. Krug
10. LeMahieu
11. Marklein
12. Nygren
13. Ohnstad
14. Petryk
15. Sinicki
16. Stone
17. Thiesfeldt
18. Weatherston

20. Kaufert

19. Vranvink

1. Moulton (2nd)
2. Cowles
3. Lehman
4. Olsen
5. Schilling
6. Larson
7. Taylor

Darling

Lonna Morouney
Research Assistant
Committee Clerk for Assembly Committee on Workforce Development
Office of Representative Amy Loudenberg
31st Assembly District

Office 209 North
PO Box 8952
Madison, WI 53708
608-266-9967 Toll free: (888) 529-0031
Lonna.morouney@legis.wi.gov

From: Sieg, Tricia
Sent: Thursday, October 03, 2013 8:52 AM
To: Morouney, Lonna
Subject: RE: W3 cosponsor list

I have in addition in the assembly:

Kestel
Petryk
Weatherston
Bernier

In the senate I have

Moulton (2nd)
Cowles
Lehman
Schilling
Larson
Taylor

From: Morouney, Lonna
Sent: Thursday, October 03, 2013 8:39 AM
To: Sieg, Tricia
Subject: W3 cosponsor list

Hi Tricia,

Here's my list-Rep. Kuglitsch is our #2.

Reps-

1. Kuglitsch
2. Ballweg
3. Czaja
4. Endsley
5. Kahl
6. Kolste
7. Krug
8. LeMahieu
9. Marklein
10. Nygren
11. Ohnstad
12. Petryk
13. Sinicki
14. Stone
15. Thiesfeldt

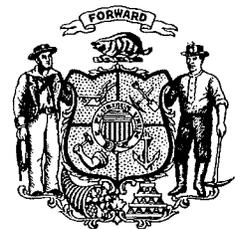
1. Sen. Olsen

Lonna Morouney
Research Assistant
Committee Clerk for Assembly Committee on Workforce Development
Office of Representative Amy Loudenbeck
31st Assembly District

Office 209 North
PO Box 8952
Madison, WI 53708
608-266-9967 Toll free: (888) 529-0031
Lonna.morouney@legis.wi.gov



WISCONSIN STATE LEGISLATURE



Morouney, Lonna

From: Tichenor, Tyler L - DWD <Tyler.Tichenor@dwd.wisconsin.gov>
Sent: Tuesday, October 08, 2013 2:17 PM
To: Morouney, Lonna; Sieg, Tricia
Cc: Tichenor, Tyler L - DWD
Subject: WIA funding response

Hi Lonna and Tricia,

Below may be useful if you receive questions regarding the inability of DWD to use WIA funding for W3 program administration. Just wanted to pass it along.

Thanks,

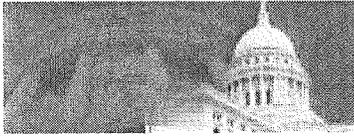
Tyler

Tyler L. Tichenor
Executive Staff Assistant
Office of the Secretary
Department of Workforce Development
201 E. Washington Avenue
Madison, WI 53707
Wisconsin is Open for Business!!

DWD/DET was able to use WIA set-aside funds for the initial pilot of the W3 program. At that time states were able to reserve 15% of the total WIA allocation for administration of the WIA programs (Adult, Dislocated Worker, and Youth) and for discretionary pilot programs within the state. At the start of the SFY12 federal allocation, the amount states could reserve from the total WIA allocation was reduced from 15% to 5%. This reduced the amount available to each state and limited the remaining 5% to be used for WIA program administration costs (staffing).

In addition, WIA regulations allowed us to fund the initial W3 program as a demonstration project (Workforce Investment Act of 1998; section 134 - Use of funds for Employment and Training Activities). However by definition, a demonstration project is a one time activity. In the case of the initial W3 project ended with the legislation in June of 2013. Also with reduction of WIA funds for required services, this eliminated the state's ability to continue funding of any new demonstration projects.

*Memo
Sent to
UI*



WISCONSIN STATE LEGISLATURE



Department of Workforce Development
Secretary's Office
201 East Washington Avenue
P.O. Box 7946
Madison, WI 53707-7946
Telephone: (608) 266-3131
Fax: (608) 266-1784
Email: sec@dwd.wisconsin.gov



Scott Walker, Governor
Reginald J. Newson, Secretary

**Assembly Committee on Workforce Development
Assembly Bill 400, W3**

October 9th, 2013

Testimony provided by Jonathan Barry, Deputy Secretary

Chairperson Loudenbeck and members of the Assembly Committee on Workforce Development:

I am Jonathan Barry, Deputy Secretary of the Department of Workforce Development and I appear before you today to speak in favor of Assembly Bill 400.

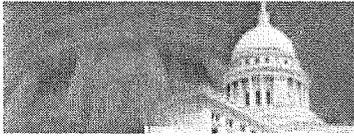
As part of Governor Walker's fall workforce agenda, the new iteration of the W3 program is consistent with our mission to grow the economy, develop our workforce, transform education, reform our government and invest in our infrastructure. AB 400 includes direct feedback from both claimants who participated in the program as well as employer participants and we thank the legislature and the Governor for including these changes in the new version of W3.

On March 12, 2012, Governor Walker signed into law 2011 Act 123, putting in place the Wisconsin Workers Win (W3) pilot program. This voluntary training program, which garnered unanimous support from members of the Wisconsin State Legislature, allowed Unemployment Insurance (UI) claimants who were in their first 20 weeks of regular UI benefits to enroll and be matched with participating employers for up to six weeks of on-the-job training. In the first version of W3, the pilot program operated in three high-unemployment areas which helped 166 program participants gain employment through their association with the program at an average starting wage of over \$13 per hour. They spent, on average, nearly 2 weeks less than the state average collecting UI which in turn saved the UI Trust Fund over \$80,000 dollars over the life of the program.

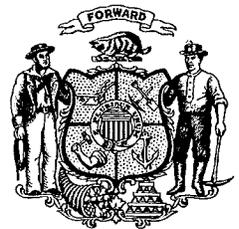
The pilot program expired this year and the final report on the program made recommendations to make it a more impactful tool for unemployed workers to gain on the job training in new careers. Those recommendations are incorporated into the new bill to increase participation and allow greater flexibility in training prospective workers. By eliminating the 24 hour maximum work week and increasing this to 40 hours, employers will have the opportunity to evaluate

candidates in the context of a traditional full time work week and include them in existing full-time training programs. Additionally, allowing participants to be waived from work search requirements assures a business that the participant will be available for a full-time job at their facility at the end of the training. These two changes were based on strong employer feedback about the program and we believe they will increase claimant participation and positive program outcomes.

In summary, by applying the lessons learned from the first version of the W3 program, the extension of the pilot program demonstrates Governor Walker's commitment to equip our workers with the skills they need to succeed. It also demonstrates the Governor's commitment to helping employers attract the skilled workers they need to meet demand. With these changes, the W3 program is sure to be a win for Wisconsin employers, a win for Wisconsin workers and a win for the state of Wisconsin. We are on the right track; we are moving Wisconsin forward.



WISCONSIN STATE LEGISLATURE





Mary Lazich

State Senator - Senate District 28

Assembly Committee on
Workforce Development
October 9, 2013
Assembly Bill 400 and Senate Bill 332

Greetings committee members. Assembly Bill 400 (AB 400) and Senate Bill 332 (SB 332) continues the Wisconsin Workers Win (W3) pilot program created during March 2012.

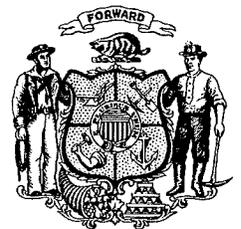
The pilot program connected workers to employers with available jobs during the first 20 weeks of the worker's unemployment. Unemployed workers received training with a full time employment goal while maintaining unemployment benefits. Workers also received a \$75 per week stipend while participating in the program.

The W3 pilot program resulted in employment for 166 workers earning an average \$13.56 per hour. Participants spent an average of 1.8 fewer weeks on unemployment, saving the Unemployment Insurance (UI) fund \$82,468. All indications are the program is successful placing unemployed workers in jobs available for trained workers.

A July 3, 2013, report about the W3 program recommends modifications to the program. Lessons learned during the pilot program are employers concerned about spending time and money training persons actively looking for other employment, and employers found part time training ineffective.

AB 400 and SB 332 allows continuation of the pilot program for two years in three high unemployment geographic areas, and the bill provides remedies to impediments cited in the report. The bill provides people trained as part of the W3 program are exempt from work search requirements, and the amount of training time is increased to 40 hours per week rather than 20 hours per week.

I ask the committee to approve AB 400 and SB 332. Thank you for your attention to AB 400 and SB 332.





WISCONSIN LEGISLATURE

P.O. BOX 8952 • MADISON, WI 53708

October 10, 2013

Janell Knutson, Chair
Unemployment Insurance Advisory Council
P.O. Box 8942
Madison, WI 53708-8942

Re: UI Advisory Council Consideration of SB332 and AB 400 Relating to participation in certain training by unemployment insurance claimants, granting rule-making authority, and making an appropriation

Dear Chair Knutson and UI Advisory Council Members:

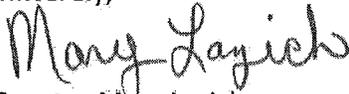
Senate Bill 332 (Lazich) and Assembly Bill 400 (Loudenbeck) were introduced October 3, 2013, and are an important part of the workforce development agenda slated for the fall legislative floor period.

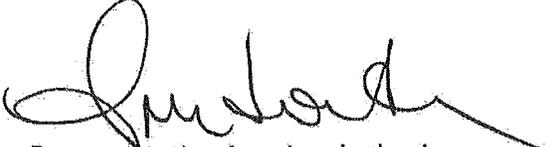
The bills are based on the Wisconsin Workers Win (W3) program, unanimously approved by the Wisconsin Legislature during 2011. Wisconsin Act 123 created a Special Occupational Training pilot program for Unemployment Insurance (UI) claimants with a July 1, 2013 sunset. In less than one year, the initial pilot program saved the UI Trust Fund \$80,000, reduced weeks on UI for enrollees, and 166 participants had positive employment outcomes. SB 332 and AB 400 will re-establish the W3 pilot program with the following changes:

- Increases the maximum number of hours per week that a claimant may participate in special occupational training from 24 to 40 hours per week.
- Removes the 20 hour per week minimum for participation.
- Requires DWD to waive UI work search and registration requirements for claimants receiving at least 24 hours of occupational training.
- Sunsets the program after two years following the bill's enactment.
- Requires a report about the program to the Legislature and the Governor after 22 months to assist the decision whether to consider extending the program.

We would appreciate receiving the UI council's support and ask you include consideration of this request on your October 17, 2013 meeting agenda.

Sincerely,


Senator Mary Lazich


Representative Amy Loudenbeck

Enclosure: Bill Text