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(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 (AC-WD)

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

Workforce Development

February 05, 2013 **Informational Hearing Held**

Present: (12) Representative Loudenbeck; Representatives Honadel, Kuglitsch, Pridemore, Weatherston, Born, Ringhand, Billings, Kolste, Barnes, Shankland and Wachs.

Absent: (0) None.

Excused: (4) Representatives Petryk, Severson, Bernier and Knodl.

Appearances For

- None.

Appearances Against

- None.

Appearances for Information Only

- Reggie Newson - Secretary
- Rob Henken - Public Policy Forum
- Bill McCoshen - Competitive Wisconsin

Registrations For

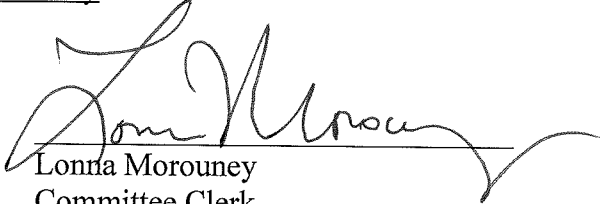
- None.

Registrations Against

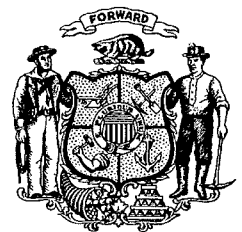
- None.

Registrations for Information Only

- None.



Lonna Morouney
Committee Clerk



**Testimony of William J. McCoshen, Executive Director, Competitive Wisconsin, Inc.
Assembly Committee on Workforce Development
Tuesday, February 05, 2013**

***BE BOLD 2* Creates Visionary Blueprint for Meeting Wisconsin's Workforce Needs**

Wisconsin has always been justifiably proud of its hardworking workforce. But the state is now facing a serious skills gap and workforce shortage that is preventing employers from meeting the manufacturing, technological and business needs of tomorrow. For Wisconsin to compete globally, it must meet growing workforce needs, close the skills gap and create a comprehensive statewide workforce development strategy.

Most current workforce development programs are reactive in nature. They are designed to address disadvantaged or unemployed workers or they are part of anti-poverty initiatives. They are often prescribed and funded by the Federal government and are inflexible to deal with local conditions. In short, these workforce development programs address the needs of today rather than planning for the needs of tomorrow.

When it comes to the workforce shortage and skills gap, the numbers speak for themselves. Next Generation Wisconsin Manufacturing reports that only 17.5% of small companies and 31% of large companies have the world-class innovation talent they require. 66% report that they lack the essential talent to meet global demands into the next decade. ManpowerGroup reports significant skill shortages in such critical areas as accounting and finance; mechanical engineering; and metal manufacturing. Add to that a rapidly aging workforce with too few skilled workers on the horizon and Wisconsin is facing a significant workforce development dilemma.

But here in Wisconsin, we're always ready to face challenges head on. Competitive Wisconsin, Inc. (CWI) — a nonpartisan, public policy organization consisting of business, labor, education and agriculture leaders in Wisconsin — is engaged in developing a modern, strategic vision for Wisconsin's economic prosperity. In 2010, CWI introduced *BE BOLD: The Wisconsin Prosperity Strategy*, a series of meaningful recommendations that addressed economic development issues.

BE BOLD 2 examines Wisconsin's workforce realities, projects its future needs and is creating strategic recommendations to create a world-class, innovative workforce. It is a comprehensive workforce study produced in partnership with the globally renowned talent development and acquisition strategist, ManpowerGroup. The study validates the need for immediate action, identifies several strategic issues and introduces a series of innovative recommendations.

BE BOLD 2 examines how to modernize and empower Wisconsin's workforce and offers strategic recommendations that will help establish Wisconsin as a global leader. The study identifies three key strategies needing immediate action:

- Energizing the links between economic development and workforce/talent development;

- Revolutionizing and leveraging the collection of, and access to, real-time information about jobs, skill requirements, career pathways and economic outcomes; and
- Mobilizing talent development and acquisition abilities in support of Wisconsin employers and promoting our successes to attract talent and job creators to the state.

BE BOLD 2: *Growing Wisconsin's Talent* complements and enriches work done by Tim Sullivan and other agencies in the state.

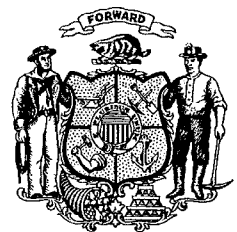
BE BOLD 2: *Growing Wisconsin's Talent Pool* contains eight operational recommendations targeted at achieving these strategic goals:

1. Focus strategic management by replacing the Governor's Council on Workforce Investment and the Governor's Council on Workforce and College Readiness with a new Governor's Talent Development and Acquisition Council (Talent Council).
2. Provide the Talent Council oversight of a \$100-million Talent Development Fund to enhance the ability of Wisconsin workers, employers, educators, trainers, economic development professionals and communities to respond to supply and demand changes in critical skill clusters.
3. Develop a comprehensive talent supply and demand projection for Wisconsin that examines the skills required by Wisconsin's employer groups.
4. Develop the most comprehensive real-time workforce/talent data warehouse in the nation.
5. Develop a mobile application that provides job and career information on demand to everyone.
6. Leverage real-time data, innovation and educational and training best practices to maximize citizen benefit from Wisconsin's world-class education and training systems, empowering citizens to engage in lifelong learning that enhances employability and employment security.
7. Support internships and experimental learning in targeted skill sets by enabling youth to enter the world of work by encouraging employers to align internships, apprenticeships and applied learning programs with the skill clusters roadmap.
8. Alert employers and workers to Wisconsin's ability to supply job creators in the United States and worldwide with the best, rightly-skilled talent in the world.

CWI and the Wisconsin Higher Education Business Roundtable have just completed a series of statewide economic summits to carefully consider and solicit comments from stakeholders on the **BE BOLD 2** recommendations.

BE BOLD 2 provides a **proactive** strategic blueprint for closing the skills and generational workforce gap; creating vital synergies and collaborations; and ensuring the advancement of workforce development to meet Wisconsin's current and future needs.

To learn more about CWI's **BE BOLD 2** initiative and get involved in its ongoing efforts on behalf of business growth and economic prosperity, go to <http://www.competitivewi.com/>. Together we can help ensure Wisconsin stays a global leader.



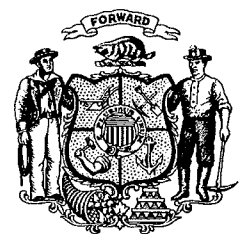
Chair's Notes – Workforce Development Committee Public Informational Hearing

February 5, 2013

- *Strike the gavel.*
- The public informational hearing is called to order.
- The clerk will call the roll.
- Welcome. The purpose of the public informational hearing this morning is to hear the Department of Workforce Development provide an overview of the agency for committee members, followed by invited speakers on research and reports related to workforce development.
- Members of the public are welcome to observe the testimony. This will be an informational hearing with invited speakers only.
- *Invite the first speaker.*

SPEAKER LIST

- 10 to 10:45 a.m. Wisconsin Department of Workforce Development Secretary Reggie Newson
 - 10:45 to 11:30 a.m. Public Policy Forum President Rob Henken
 - 11:30 a.m. to 12 p.m. Capitol Consultants Managing Partner Bill McCoshen
- *After each person's testimony, thank the speaker, ask any questions you have, and ask the committee members whether they have any questions.*
 - *Thank the speakers.*
 - *Declare the meeting adjourned and strike the gavel.*



Wisconsin Department of Workforce Development Secretary **Reggie Newson**

Connie Schulze

Legislative Liaison

Wisconsin Department of Workforce Development

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Twitter: [@ppfmilwaukee](https://twitter.com/ppfmilwaukee)

Facebook: facebook.com/ppfmilwaukee

And researcher Joe Peterangelo

Competitive at

Managing Partner, ~~Capitol Consultants, Inc.~~ **Bill McCoshen**

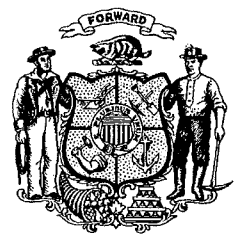
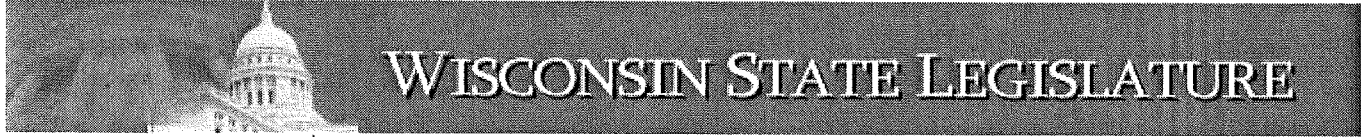
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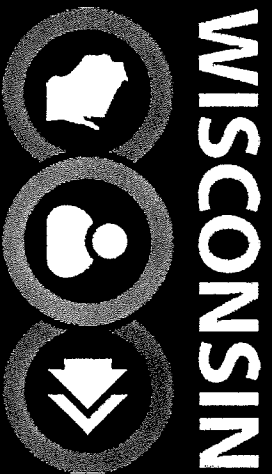
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DWVD

Department of Workforce Development

DWVD Overview

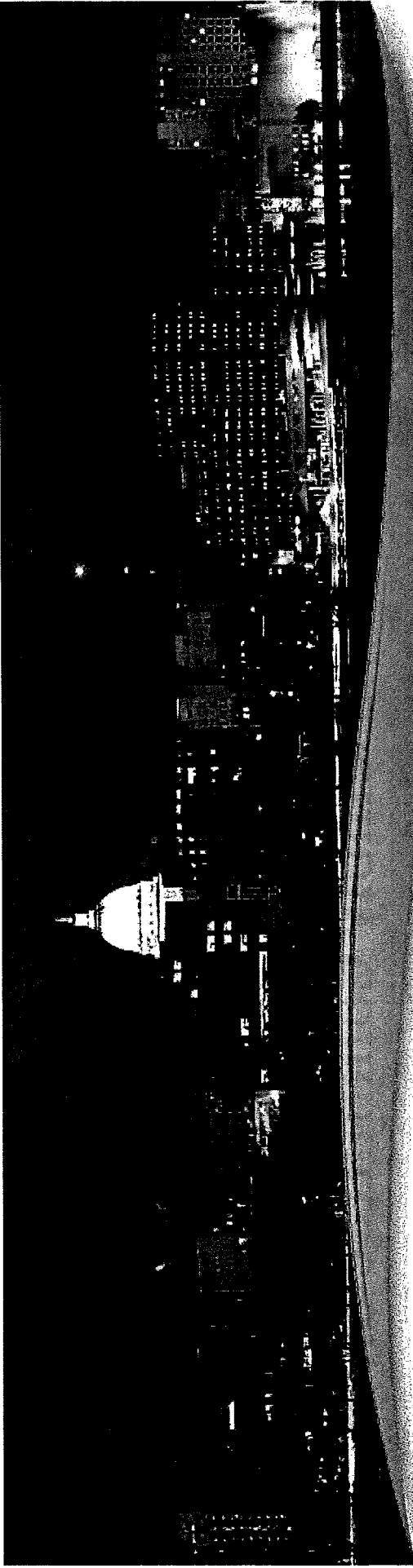
Assembly Committee on
Workforce Development



Secretary Reggie Newson

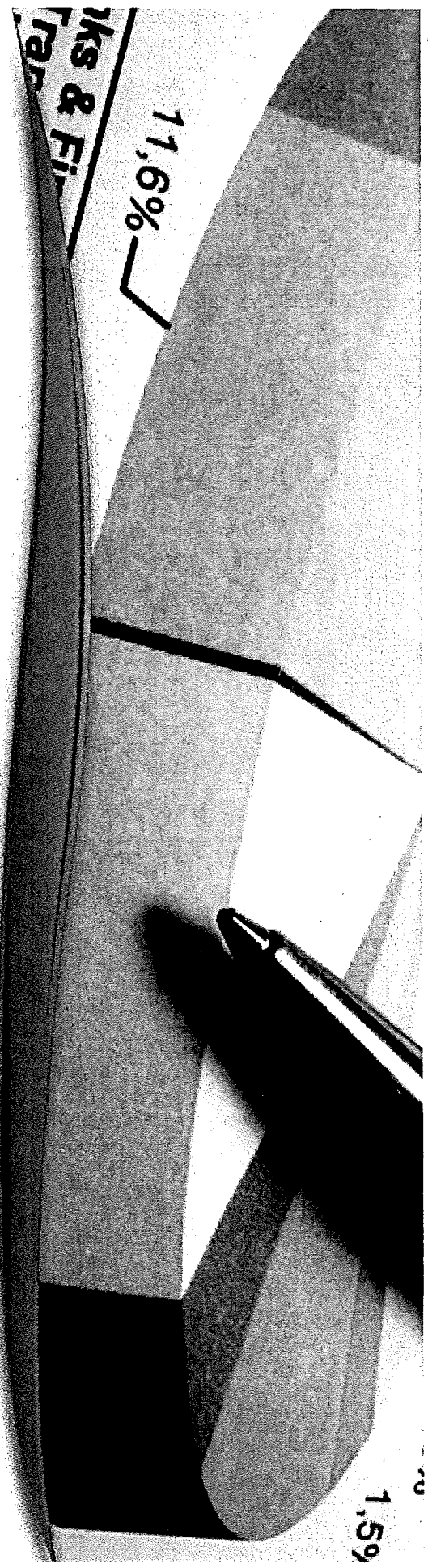
February 5, 2013

Madison



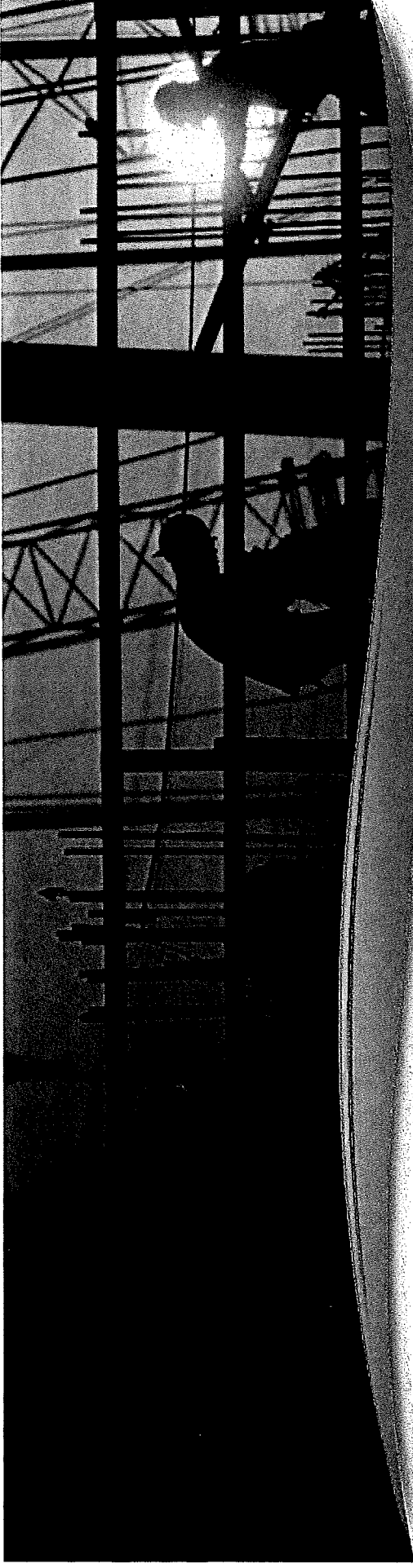
DWD Overview: Agency at a Glance

- Ⓢ **Mission:** Advancing Wisconsin's economy and business climate by empowering and supporting the workforce.
- Ⓢ **Vision:** Wisconsin – the Workforce of Choice
- Ⓢ **Employees:** 1,763 workers (includes all employment types)
- Ⓢ **Annual Budget:** \$435.7 million (in state fiscal year 2013)
- Ⓢ **Divisions:** Administrative Services, Employment & Training, Equal Rights, Unemployment Insurance, Vocational Rehabilitation, Worker's Compensation



DWD Overview: State Economic Snapshot

- Over 35,000 private-sector jobs added June 2011 – 12. (QCEW data)
- DWD served more than 8,200 veterans in 2012, including 16 job fairs.
- 11% decrease in UI Claims filed so far this year compared to last year.
- 6.6% is the lowest seasonally-adjusted unemployment rate since Dec. 2008.
- 3,250 individuals with disabilities entered the workforce after partnering with the Division of Vocational Rehabilitation.



DWD Overview: Addressing the Skills Gap

- ⦿ DWD is developing comprehensive strategy to support private-sector job growth in high-wage industries like healthcare, manufacturing, and logistics.
- ⦿ Resources will be aligned to support needs of job creators.
- ⦿ Job Centers are working proactively to provide qualified candidates.
- ⦿ Governor's College and Workforce Readiness Council is developing solutions.
- ⦿ Reducing the burden of regulations.



DWD Overview: Reliable Labor Market Data, Quicker Employment

- ⦿ Need for skilled workers to fill current, future job openings.
- ⦿ Surveys: need for skilled workers in manufacturing, other clusters.
- ⦿ Accurate measurement of employment needs in real-time can:
 - ⦿ Identify and measure trends in employment.
 - ⦿ Anticipate and respond to workforce needs on regional basis.
- ⦿ Working with partners in Legislature to enact improved data system.



DWD Overview: Preparing Students for Workplace Success

- ⦿ Youth Apprenticeship
- ⦿ Second Chance Partners
- ⦿ Dual enrollment
- ⦿ Cardinal Manufacturing at Eleva-Strum HS
- ⦿ Academic and Career Plans



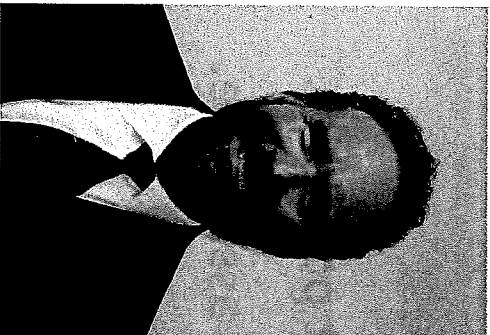
DWD Overview: Collaboration with Workforce Partners

- ⦿ Creating a sustainable pipeline will require partnership between DWD, DPI, WTCS, UW System and local stakeholders.
- ⦿ Governor Walker has directed DWD to work closely with DVA and WEDC to support job creators.
- ⦿ DWD will pursue innovation with all workforce partners.
- ⦿ **END GOAL:** Pro-business climate that boosts employment opportunities for Wisconsin residents.



DWD Divisions

Division of Vocational Rehabilitation



Michael Greco
Administrator

Division Responsibilities

- ① Employment services & counseling to people with disabilities.
- ② Training & technical assistance for employers.

Prepare & assist people with disabilities in obtaining, maintaining & advancing in employment.

Provide employers assistance to help people with disabilities overcome barriers to employment.

Division of Vocational Rehabilitation



- ⦿ Serves more than 40,500 individuals with disabilities:
 - Consumer-driven services to maximize employment potential.
 - College courses, on-the-job training, transportation assistance.
- ⦿ Budget: 78.7% federal funding, 21.3% state match.
- ⦿ Staff: 187 Counselors, 69 Case Coordinators in 42 locations.
- ⦿ Eligibility criteria / questions:
 - Does individual have physical/mental impairment making it difficult to get or keep a job, or advance in a job?
 - Does impairment cause substantial impediment?
 - Are DVR services required to address barriers to employment?

Division of Vocational Rehabilitation



Return on Investment / Economic Impact

- ④ Over 3,000 consumers achieved employment goals this year.
 - Success / case closure: Individual is employed in accordance with IPE goal for at least 90 days.
- ④ Estimated earnings = 210% return on all funds invested in services.
- ④ Return on state investment greater → \$8 for every state \$1.
- ④ DVR as Wisconsin economic generator:
 - Services purchased almost exclusively from Wisconsin vendors and training institutions.
 - In last three years, more than \$118 million infused into Wisconsin economy.

Division of Administrative Services



Kathleen Reed
Administrator

Division Responsibilities

- ☉ Human Resources
- ☉ Financial Management
- ☉ Information Technology
- ☉ General Services

Responsive, efficient, high-quality management & program support.

Excellence in organizational governance & financial transparency.

Cutting edge information technology.

Division of Employment and Training



Lisa Boyd

Administrator

Division Responsibilities

- ⊕ Workforce Training
- ⊕ Job Service & Job Centers
- ⊕ Apprenticeship Standards
- ⊕ Migrant, seasonal farm workers
- ⊕ Veterans' Services
- ⊕ Work Opportunity Tax Credits

Seamless continuum of services to employers, workers, job seekers.

Skilled workforce for employers in collaboration with partners.

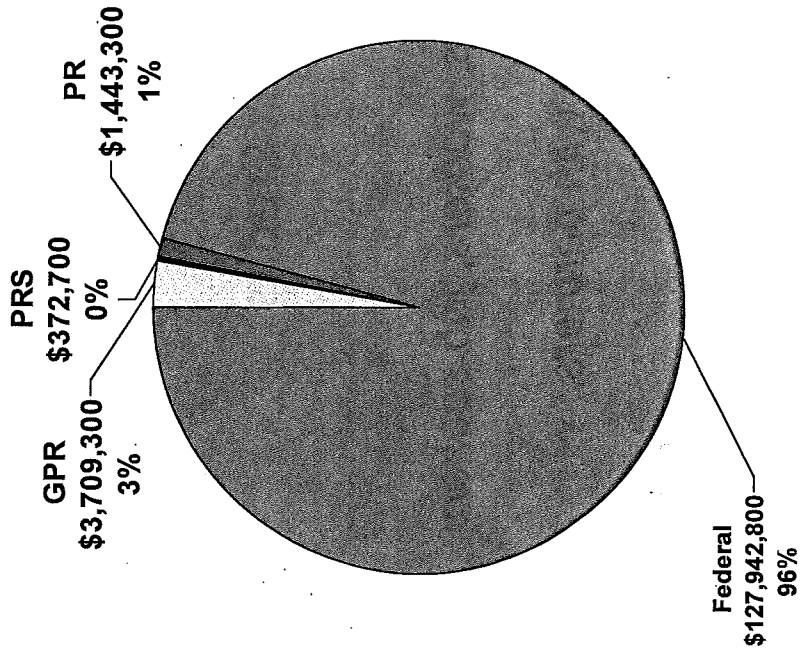
Job / career opportunities for workers.

Division of Employment and Training

Resources by Funding Source

Total Funds:

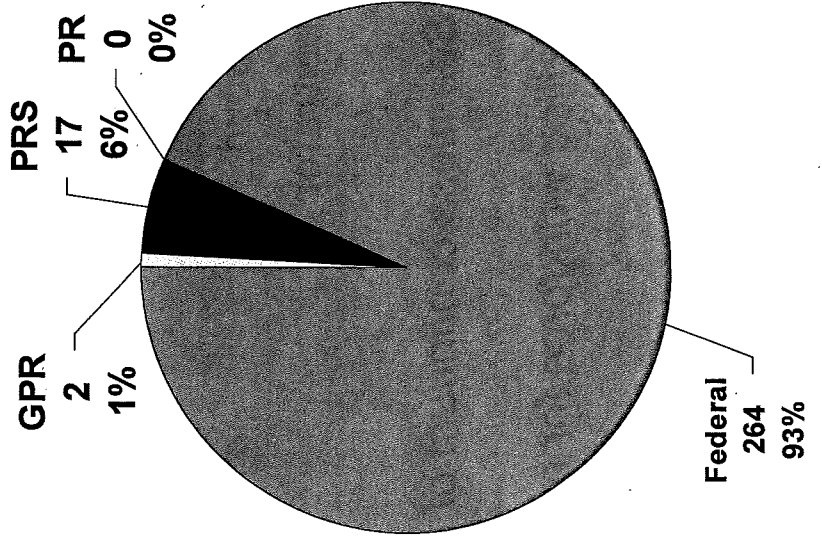
\$133,468,100



SFY 2012

Total FTE:

283 Permanent FTE



Division of Employment and Training



Efforts to Achieve DWD Strategic Goals

- ④ Job Center of Wisconsin website improvements will help match job seekers to jobs.
- ④ Alignment of DET/Unemployment Insurance to make re-employment services more effective.
- ④ Career Expos target specific industries and require participants to pre-qualify and register on www.JobCenterofWisconsin.com.
- ④ More than \$232K for sector strategy initiatives.
- ④ Apprenticeship:
 - \$1.6M in Youth Apprenticeship Grants issued.
 - \$6M grant to support green occupations through Adult Apprenticeship training.
 - New industrial manufacturing Adult Apprenticeship occupation.

Division of Equal Rights



Joe Handrick
Administrator

Division Responsibilities

- ⊗ Civil rights in employment, housing & public accommodations.
- ⊗ Labor standards, including minimum wage, business closing notification, and child labor.

Impartially implement employment laws & support conflict resolution.

Achieve compliance through education, outreach & enforcement.

Support prevention & mediation services.



Division of Equal Rights

Civil Rights Bureau

Enforce laws prohibiting discrimination in:

- ☉ Employment
- ☉ Housing
- ☉ Public Places
- ☉ Higher Education

4,000 complaints processed each year

Division of Equal Rights

Labor Standards Bureau

Enforce laws governing:

- ☛ Child Labor Rules
- ☛ Hours of Work and Overtime
- ☛ Wage Payment/Minimum Wage
- ☛ Wages for Government Projects

3,000 complaints processed each year

Division of Unemployment Insurance



Robert A. Rodriguez

Administrator

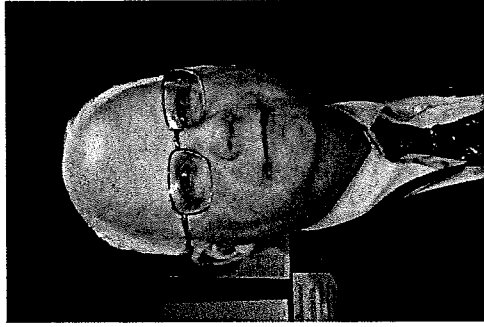
Division Responsibilities

- ⊕ Process, pay benefits to eligible recipients.
- ⊕ Safeguard fund & ensure program integrity.

Provide employer-funded temporary economic assistance to Wisconsin's eligible unemployed workers.

Support judicious management of UI Trust Fund.

Division of Worker's Compensation



John Metcalf
Administrator

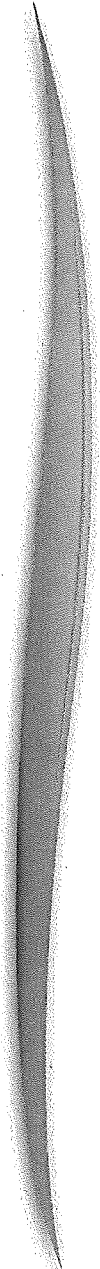
Division Responsibilities

- ☉ Enforce insurance requirements
- ☉ Monitor payments
- ☉ Resolve claim disputes
- ☉ Investigate multiple / severe injuries

Prompt, fair program that remains model, meets needs of customers & stakeholders.

Workplace safety to prevent injuries, lower rates, increase competitive edge.

Thank You!



Office: 608-267-1410

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