

Testimony – Senate Bill 614
Senate Committee on Workforce Development, Military Affairs and Senior
Issues
January 17, 2018

Chairman Testin and Members,

Thank you for the opportunity to testify before you today in favor of Senate Bill 614, which establishes Rural Opportunity Zones in the state of Wisconsin.

As someone who has spent his entire life in rural Wisconsin, I know that our communities have a lot to offer young families. However, Wisconsin's small towns and villages are not exempt from the trends of the last fifty years. The American population has been shifting away from rural areas toward cities and suburbs, and many rural counties in Wisconsin are losing or barely maintaining population.

Loss of population causes a downward spiral. As a population decreases, local businesses lose their consumer base, and new businesses look to locate elsewhere as the workforce shrinks. School districts that lose population also lose funding, which leads to fewer class offerings, and fewer incentives that would attract young high quality teachers to the district. We need to find a way to maintain and grow our population.

To that end, we are proposing SB 614 which would create rural opportunity zones, much like what Kansas has done. Rural Opportunity Zones would incentivize young people looking to relocate after finishing their post-secondary education.

In our vision of the program, Wisconsin would repay up to \$25,000 or 40% of a new resident's student loans, provided the new resident maintained a full time job, avoided public assistance, had attained a post-secondary degree, and settled in a county that fit the Federal OMB's definition of rural.

This is an idea whose time has come. Governor Walker recently announced he wants \$6.8 million for an ad campaign to attract millennials to Wisconsin, with \$300K specifically towards a services and recruitment for rural Wisconsin. Plus, targeting young professionals five years out of college, is when people start thinking long term about where they want to be when they start a family and Millennials, especially, are focused on student debt relief.



STATE SENATOR • 12TH SENATE DISTRICT

Testimony on Senate Bill 614 Senate Committee on Workforce Development, Military Affairs, Senior Issues January 4, 2017

Thank you Chairman Testin and committee members for allowing me to testify in favor of Senate Bill 614.

Rural Wisconsin's population is declining and growing older. High schools in the Northwoods are seeing their enrollment drop, sometimes nearly 30 percent over the last 10 years. This is not a recipe for economic prosperity and it certainly points to the belief that young people are moving elsewhere for employment opportunities.

The brain drain out of Wisconsin has been well-documented. I believe that Wisconsin has the opportunity to reverse this trend partly by expanding rural job opportunities in new fields such as mining, and partly by attracting young workers to move to rural Wisconsin. To that end, Assembly Bill 730 establishes rural opportunity zones to incentivize young people looking to relocate after completing their post-secondary degree.

Under the bill, the State of Wisconsin would repay up to \$25,000 or 40% of a new resident's student loans provided that this individual maintained a full-time job, avoided public assistance programs, and completed a post-secondary degree program. In order to qualify, the individual must reside in a county that meets the Federal OMB's definition of rural.

A similar program has been in place for the past four years in Kansas and it has attracted over 1,000 new residents. I believe that incentivizing young workers to move to rural Wisconsin provides the forward momentum needed to bring a brain gain to all of our rural communities. I encourage your support for this proposal.