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(FORM UPDATED: 08/11/2010)

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

2003-04

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on ... Children and Families (AC-CF)

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) (May 2012)

Registrations Against

None.

March 4, 2004

EXECUTIVE SESSION HELD

Present: (7) Representatives Kestell, Ladwig, Jeskewitz, Vukmir, Sinicki,
Miller and Toles.

Absent: (1) Representative Albers.

Moved by Representative Ladwig, seconded by Representative Jeskewitz that
Assembly Bill 921 be recommended for passage.

Ayes: (7) Representatives Kestell, Ladwig, Jeskewitz, Vukmir, Sinicki,
Miller and Toles.

Noes: (0) None.

Absent: (1) Representative Albers.

PASSAGE RECOMMENDED, Ayes 7, Noes 0

David Matzen
Committee Clerk

Vote Record
Committee on Children and Families

Date: ~~3-4-04~~ 3-4-04

Moved by: Ladwig

Seconded by: Jeskewitz

AB 921

SB _____

Clearinghouse Rule _____

AJR _____

SJR _____

Appointment _____

AR _____

SR _____

Other _____

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

Be recommended for:

- Passage
 Adoption
 Confirmation
 Concurrence
 Indefinite Postponement
 Introduction
 Rejection
 Tabling
 Nonconcurrence

Committee Member

	<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Not Voting</u>
Representative Steve Kestell, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Bonnie Ladwig	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Sheryl Albers	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Representative Suzanne Jeskewitz	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Leah Vukmir	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Christine Sinicki	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Mark Miller	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Barbara Toles	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Totals:	<u>7</u>	<u>0</u>	<u>1</u>	_____

Motion Carried

Motion Failed





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March 2, 2004

Representative Steve Kestell
Chair, Assembly Committee on Children and Families
Room 207 North
State Capitol - P.O. Box 8952
Madison, WI 53708

Dear Chairman Kestell and Committee Members:

I am writing in support of AB 921, offered by Reps. Huebsch, Jeskewitz, Zepnick, Gunderson, Miller, Montgomery, Shilling, Sinicki and Taylor. I am sorry that I cannot deliver this testimony personally, but my current business obligations prevent me from doing so. I appreciate the opportunity to provide the testimony, and have asked a New Hope Project representative to read it on my behalf.

My name is Thomas F. Schrader. I am currently employed at Silver Spring Networks, a small 30-person company, and previously I was the president of Wisconsin Gas Company and WICOR which employed over 2,000 people in Wisconsin. Also, I am currently a member of the Board of Directors of the New Hope Project, and served as Chair of the New Hope Board from its founding in 1991 until 2000.

The New Hope Project, whose mission is to create pathways to help people who can work get out of poverty through work, ran a research demonstration project that was rigorously evaluated by MDRC. Their evaluation reports, even two years after services ended, have consistently shown that the New Hope policy elements -- access to work, earnings supplements, and affordable health insurance and child care -- helped New Hope participants work more steadily, earn more of their income, and move out of poverty at a greater rate than the comparison group. Most notably, the results also showed positive impacts for children of New Hope participants, as measured by school progress reports and tests.

I am testifying in support of AB 921, because the proposed changes to Trial Jobs within W-2 would be similar to the way that the New Hope Project provided its guaranteed jobs-of-last-resort to participants who could not find work on their own. They, too, were time-limited and paid the minimum wage, and participants were eligible for earnings supplements, including the Earned Income Credit.

Here, from my perspective as an employer in the private sector, is why this approach makes sense:

1. There is a real financial and psychological benefit to working for a wage, rather than working off a grant. Both individuals and the State gain from capturing the federal EIC dollars. As an employer, I strongly believe it is better and far more motivating for a person to earn a wage and a paycheck that is based on actual hours worked than to be "working off" a monthly grant that they have already received.
2. Trial jobs, as amended under this provision, are more likely to be used by employers to "take a look" at workers whose work history is problematic, or spotty. This is a very tough time for jobseekers. Generally, employers can choose from many qualified candidates. A fully subsidized worker allows an employer to give someone a chance who doesn't compare well on paper. On the other hand, because the worker will generally not be immediately as productive as other employees, there is a cost to the company of taking that chance.
3. Employees, and employers for that matter, need support from time-to-time to resolve a problem or gain perspective on an issue. In the New Hope experience, transitional employers had the ability to communicate with New Hope staff as well as the worker if there were problems at work. This level of staffing is not generally found with other programs, and it's what made good work sites even better.

Thank you for this opportunity to support AB 921 and the proposed changes to Trial Jobs within W-2.

Sincerely,



Thomas F. Schrader



Matzen, David

From: MarcusWhite@aol.com
Sent: Wednesday, March 03, 2004 12:05
To: david.matzen@legis.state.wi.us
Subject: testimony for committee members

Dear Chairman Kestell and Members of the Committee on Children and Families:

Thank you for hearing AB 921, the "Trial Jobs Plus" bill, today. The Interfaith Conference of Greater Milwaukee is happy to offer our strong support for this legislation. We also offer our thanks to the bill's sponsors for bringing this forward.

The faith community in the greater Milwaukee area sees the struggles of low-income families on a daily and very personal basis. We know that parents want to work to provide for their children as best as they can. Trial Jobs Plus will help working parents get that often elusive foothold in the real world of work. We also believe that employers will find it to be a wise and useful program.

We urge you to support this bill and move it through the legislative process. We are very hopeful about the opportunity and quality work experience that will be the outcomes of this effort.

Thank you very much.

Sincerely,

Marcus White
Executive Director

MAW

"Pray like everything depends on God. Act like everything depends on you."

Marcus White
Executive Director
Interfaith Conference of Greater Milwaukee
1442 N. Farwell Ave., #200
Milwaukee, WI 53202
414-276-9050 ext. 12
414-276-8442 (fax)





ASSEMBLY COMMITTEE ON CHILDREN AND FAMILIES

Testimony on AB 921, relating to Trial Jobs Plus demonstration project

Carol W. Medaris
Senior Staff Attorney

March 3, 2004

The Wisconsin Council on Children and Families is a statewide, nonprofit, non-partisan child advocacy agency that works to improve the health and welfare of families and children, particularly vulnerable children. In that capacity I served on the Department's Transitional Jobs Task Force to help frame a plan for a transitional jobs program in Wisconsin Works (W-2). I am here today to support the compromise plan contained in AB 921: a Trial Jobs Plus demonstration project.

Trial jobs are the broken rung on the W-2 ladder.

The trial job placements in the W-2 program were designed for participants who are capable of working, have a willing attitude and basic skills and education, but lack the work history or skills needed to find and hold jobs in the competitive labor market. They were intended to provide full-time employment with a public, private non-profit, or for-profit employer for which the participant would receive a regular hourly wage and training opportunities similar to the employer's other workers. Trial job workers were also eligible for the Earned Income Tax Credit (EITC).

In practice, however, trial job placement have seldom been used. Average yearly placements for 2001, 2002, and 2003 have been less than 100 W-2 workers, and total placements since the program began have been less than 2 per cent of all work program placements. These jobs have thus largely been unavailable for those participants unable to find employment in the private market, but no longer able to benefit from the lower work program placements on the W-2 ladder.

At the same time, a large proportion of those who have left the W-2 program have been unable to obtain or sustain regular employment.

The Legislative Audit Bureau's evaluation of the W-2 program, issued in April 2001, showed that more than one-third of participants who left the program in

early 1998, had no reportable income for the following year. Only one third of those who did have reportable income had enough earnings to raise their families above the poverty line.

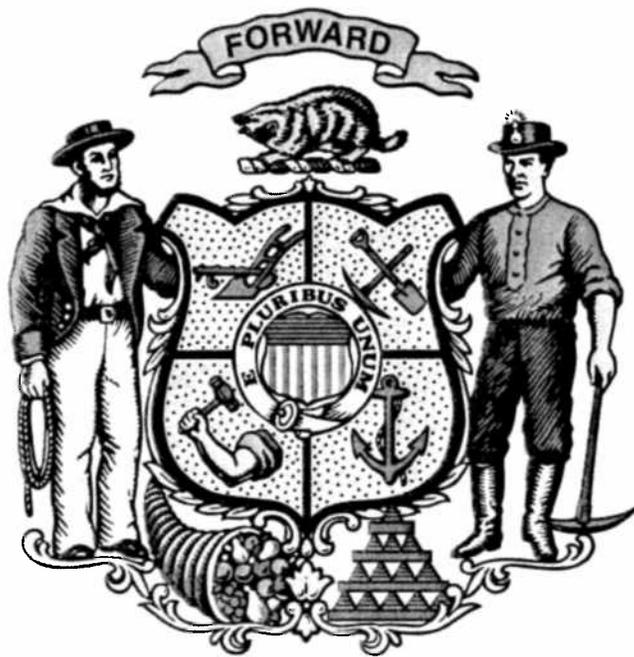
In addition, more than a quarter of these leavers returned to the program at some point within the following two years. During the economic downturn of the last several years, the inability of W-2 leavers to find and maintain regular jobs has become even more problematic.

Trial Jobs Plus should prove both more attractive to employers and more supportive to W-2 participants unable to obtain and retain work on their own.

1. Employer recruitment should be encouraged with the full subsidy provided for employee's wages – up to the minimum wage for 30 hours of work per week as well as employment taxes – instead of the current \$300.
2. For those agencies choosing to contract with an intermediary to act as the employer, some of the paperwork and other administrative burdens on employers for these short-term work slots will be removed.
3. Intermediaries may also facilitate the provision of supportive services to participants.
4. For participants there is the promise of real work with a real employer.
5. The Earned Income Credit (EITC) provides a welcome earnings enhancement to these low-income, working families. (The EITC is also available under regular trial jobs but, of course, has seldom been available to current W-2 participants.)
6. There is also the potential for a permanent job with the trial job employer, because of the requirement that the employer also make a good faith effort to retain the trial job employee.
7. Work with a real employer should provide a more acceptable work record for other potential employers – a work record that will be enhanced by good references, where appropriate, from the trial job employer in cases where a permanent job with that employer is not forthcoming.

Success should be measured by 1) numbers placed in jobs, 2) whether jobs are full or part-time, 3) job retention rates, 4) wage levels at first hire, 5) increases in wages, and 6) availability of health and other benefits.

The bill provides for three reports to the legislature during the course of the demonstration project and reports are to include the success of the agencies in meeting performance standards developed by the Department, among other issues. The Department's performance standards include most, but not all, of the above-listed issues. The Council believes all of the above standards are essential to measuring the success of the demonstration, although it may not be necessary or feasible to report on them all much before the end of the 18-month project.



Comments on Trial Jobs Plus Demonstration in Assembly Bill 921

- 1) The existing Trial Job subsidy cap of \$300 per month for full time employment is simply not enough to entice employers to “take a risk” on hiring W-2 participants with few skills or a spotty work history. There have been less than 1300 Trial Job placements since the beginning of W-2 compared to tens of thousands of Community Service Jobs (CSJ's).
- 2) The policy ramifications of there not being a viable Trial Job rung of the W-2 ladder are important. CSJ placements are intended to build soft skills and a work history for people who are determined to need more assistance before they can be competitive and successful in the job market. Trial Jobs were intended to bolster spotty work histories, refine soft skills and teach job skills at a more advanced level. This pilot has the potential to create a better bridge between CSJs and employment and therefore reduce the number of people who leave W-2 for work only to encounter difficulties and return again to cash assistance.
- 3) Some labor market analysts are predicting that Wisconsin will face a labor shortage in the coming decade as the “baby boomers” retire. Simultaneously, efforts are being made to promote job growth. This pilot, as an economic development strategy, has the potential to provide work experience and on-the-job training for some W-2 families, better positioning them to take advantage of employment opportunities in the future.
- 4) W-2 participants in this pilot, like existing Trial Job participants, can earn the federal and state Earned Income Credits and the Homestead Credit. This additional disposable income not only benefits the family, but also represents one area where additional state expenditures have the potential to draw in federal dollars. It is also worth noting while reviewing the fiscal note that the participants selected for this pilot would otherwise be drawing a CSJ benefit of \$673 per month.
- 5) From a workforce development perspective, Wisconsin needs to create and maximize any opportunities it has to dispel traditional employer bias against hiring “welfare recipients.” Many of the most commonly cited barriers to employment—alcohol/substance abuse, domestic violence and mental health issues—are difficulties faced by the poor and non-poor alike regardless of work history.
- 6) The Department indicates that a nationally known and well respected team of researchers from the Manpower Demonstration Research Corporation stands ready to evaluate this initiative at no cost to the state. There is potentially much to be learned from this research.
- 7) It is worth remembering that the creation of W-2, and welfare reform nationally, was made possible in large part because policymakers and program administrators had the wherewithal to experiment with pilots.
- 8) The pilot proposed in this legislation has a heavy dose of legislative oversight. The Department will have to submit a minimum of four reports over the course of the eighteen months the pilot will be in operation. These interactions will provide a good opportunity to ensure that participants in the pilot are succeeding, that the demonstration is cost effective and that employers are realizing some benefit from their participation.
- 9) Another benefit of this pilot is that it is likely to result in more intensive monitoring of other aspects of W-2—screening and assessments, case management, monitoring, CSJ placements and the provision of supportive services.
- 10) A final positive attribute of this legislation is that it is the result of a sincere effort on the part of many to come together to improve the W-2 program across political boundaries.





Testimony in Support of AB 921
William Clingan, Administrator
Division of Workforce Solutions
Department of Workforce Development
March 4th, 2004

On behalf of Secretary Roberta Gassman and the Department of Workforce Development, I would like to offer our full support to AB 921, a bill authored by Representative Huebsch and Senator Roessler. We appreciate the patience and dedication that these two legislators have demonstrated in order to reach an agreement on this demonstration project and want to thank them for their efforts.

Trial Jobs are not unique to W-2, in fact they have been a part of the rung of W-2 since Wisconsin implemented its historic welfare reform program in 1997. As W-2 was developed, a career ladder was used to process participants through the program, gaining experience and skills as they advanced up the ladder. The highest rung of the ladder is the trial jobs tier which places participants with real employers in order to move them one step closer to self-sufficiency and out of the W-2 program, allowing them to achieve economic self-sufficiency in the workplace. However, for many reasons, the trial jobs category has been little used, serving only 2% of all W-2 participants since 1997, and has not provided W-2 agencies with the effect that it was designed to deliver.

Additionally, MDRC, a national non-profit, non-partisan research organization, under contract with the federal Departments of Health and Human Services and Labor, has selected Wisconsin for one of 6 sites where they will study techniques on how to best serve the "hardest to employ." They have selected Wisconsin because this Legislature and our administration and the administrations serving before us have been dedicated to moving our systems forward to identify and put in practice the very best strategies to move individuals out of dependency and into lives of self-sufficiency.

Through MDRC, we will have access to the very best technical assistance and all of us will have the best evaluation as we make improvements to this program. MDRC is anxious to get started and have offered their complete support to this demonstration. I have attached their letter as well as a letter of support from the Joyce Foundation offering their support for this legislation and its demonstration of enhanced trial jobs.

As indicated in our fiscal note, this legislation directs our department to submit a proposal to the Joint Committee on Finance in order to release funds set aside for W-2. We anticipate that this demonstration, to be conducted in 4 geographical areas, will need approximately \$6.4 million of the \$15.5 million already set aside in the JFC appropriation. The remaining dollars, we anticipate, will be requested for use by other W-2 agencies to meet their caseload and program needs.

I would like to provide an overview of this proposal and the improvements that we believe it will offer to give us a win/win/win for Wisconsin:

W-2 Trial “Real Work, Real Pay” (TRWRP) Jobs: An Overview

1. Trial “Real Work, Real Pay” Jobs are designed for W-2 participants who have basic job abilities but:

- a. Lack the work experience or more specific occupational skills to succeed in the competitive labor market, or
- b. Possess a personal or work history that make them appear risky to potential employers.

2. We believe that this legislation allows Trial “Real Work, Real Pay” Jobs to:

- a. Represent real jobs that serve the business needs of an employer (not simply “make work” for the sake of generic workplace experience);
- b. Be targeted toward labor market sectors, occupations or skill areas projected to experience growing demand;
- c. Develop transferable occupational skills both through on-the-job experience and work-related training;
- d. Pay wages that are the minimum wage, which will be subsidized up to the minimum wage for no more than 30 hours per week; and
- e. Provide eligibility for state and federal Earned Income Tax Credits.

3. Under AB 921 Trial “Real Work, Real Pay” Jobs Employers:

- a. Will follow applicable fair labor standards and workplace safety regulations, including ADA and equal rights regulations;
- b. Should be in the private sector to the fullest extent feasible, but may be in the public sector provided they can offer job placements with the attributes listed under item one above;
- c. May not exist solely for the purpose of employing TRWRP Jobs participants, be dependent on the TRWRP Jobs subsidy for their economic viability, or employ TRWRP participants in a ratio to regular employees greater than that appropriate to their overall workforce size as determined by DWD;

- d. Will have practices of investing in their employees through training and other career development programs; and
- e. Will be willing to *consider* hiring TRWRP Jobs participants on a permanent basis or assist TRWRP Jobs participants to find unsubsidized employment upon completion of the TRWRP Job.

4. The following safeguards will discourage practices under Trial “Real Work, Real Pay” Jobs:

- a. Although the program should be targeted to those who can benefit the most from participation, agencies should not have an incentive to place only their most job-ready participants in TRWRP Jobs. Employers that agree to serve as TRWRP Jobs worksites should make a good faith effort to accept participants referred to them;
- b. Employers who accept TRWRP Jobs placements without ever hiring at least some on a permanent basis (or without assisting those participants to find unsubsidized jobs with other employers) would be subject to re-evaluation;
- c. TRWRP Jobs will be administered in a way that does not compete with or supplant other workforce development programs or (as stipulated in TANF regulations) lead to displacement of regular workers.

5. AB 921 would provide flexibility by allowing for the use of an:

Optional TRWRP Jobs intermediary to demonstrate the following characteristics:

- Existing relationships with the business community, and
- A solid reputation for matching job seekers with appropriate businesses and occupations.
- A W-2 agency may, at its option, subcontract with a “labor market intermediary” to perform some or all of the following services related to the administration of W-2 TRWRP Jobs placements:
 - Job coaching, mentoring, counseling or other support services to TRWRP participants or employers;
 - Employer recruitment and worksite development; and
 - Employer-of-record functions (e.g., payroll, record-keeping, etc.).

In conclusion, I would once again add our strong support for this legislation and would be glad to answer any questions you may have. Thank you very much for your consideration.

Attachments

TheJoyceFoundation

March 2, 2004

Secretary Roberta Gassman
Wisconsin Department of Workforce Development
201 E. Washington Ave
P.O. Box 7946
Madison, WI 53707-7946

Dear Secretary Gassman,

We were delighted to hear of your administration's interest in revamping Wisconsin's trial jobs programs to become one of the demonstration sites for the National Enhanced Services for the Hard-to-Employ Demonstration Project. We are sending this letter in enthusiastic support of that effort.

We understand that Wisconsin is considering joining the Manpower Demonstration Research Corporation project, with the goal of evaluating the effectiveness of using Wisconsin's current trial jobs W-2 tier, on an expanded and improved basis, to place participants in real jobs, at minimum wage, with on-site mentoring and regular W-2 services, and with access to the earned income tax credit.

MDRC is a longtime Joyce grantee recognized nationally for its rigorous evaluations of welfare reform and related initiatives. Its evaluation of the pioneering New Hope Project in Wisconsin was one of the landmark studies that helped policymakers and the public understand the impacts, and the potential, of welfare reform.

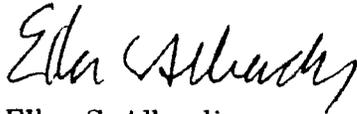
The Joyce Foundation makes grants of \$24 million annually (including \$1.8 million to Wisconsin-based groups) to improve the quality of life in the Great Lakes region. One of our key goals is to improve the economic self-sufficiency of low-income people, through research and advocacy on welfare reform, job training, and work supports. Our 2002 report, *Welfare to Work: What Have We Learned?* documented both the successes of welfare reform (in which Wisconsin played a pioneering role) and the problems that continue to face low-income families struggling to find and hold onto jobs and make their way out of poverty.

One of the most promising strategies for helping people who still face multiple barriers to entering the labor market would be an expanded trial jobs effort. The Joyce Foundation has invested some \$4 million in projects to develop such model jobs and evaluate their effectiveness. The results so far are encouraging. For example, Cuyahoga (Cleveland)

County recently completed the first year of such a pilot jobs program, which targeted welfare recipients who were experiencing the greatest difficulty in connecting to and keeping jobs. A Joyce-supported evaluation found the program served 183 individuals, of which 53 had already been placed in permanent employment. The retention rates for the program are more than double the rates of other providers serving similar hard-to-employ populations.

We are very interested in Wisconsin's participation in the proposed demonstration project. We believe it will contribute significantly to our understanding of the effectiveness of such jobs programs both regionally and nationally. As it moves forward, we will be open to exploring a potential partnering role for Joyce in this effort. In addition, we would be happy to share the information and experience of related efforts to develop and evaluate expanded trial jobs and other programs to help low-income families.

With best wishes for the success of this effort,



Ellen S. Alberding
President

ESA/lv

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February 24, 2004

Roberta Gassman
Secretary
Wisconsin Department of Workforce Development
P.O. Box 7946
Madison, Wisconsin 53707-7946

Dear Secretary Gassman:

MDRC is pleased to be collaborating with you and your staff on the National Enhanced Services for the Hard-to-Employ Demonstration Project, sponsored by the U.S. Department of Health and Human Services and the U.S. Department of Labor. As you know, Wisconsin was one of the first states considered for this important demonstration, and we remain very much interested in moving forward.

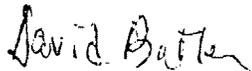
After a series of highly productive working sessions with your staff, a design was developed for the demonstration of the transitional jobs initiative, and then modified to accommodate an enhanced trial jobs model. Wisconsin would be the first state to incorporate such a trial jobs component within the broader welfare and workforce development system. The results of the demonstration will provide rigorous findings about the impacts of trial jobs on individual participants and about implementing trial jobs within W-2. We are also prepared to provide technical assistance during the start-up phase.

Wisconsin had made a commitment to begin the demonstration in January of 2004, and we are holding one of the six "slots" in this important national demonstration for Wisconsin. However, our federal agency funders are concerned about the overall schedule, and in order to meet our grant obligations to HHS and DOL, we must know by March 15 if Wisconsin will be able to participate in this study.

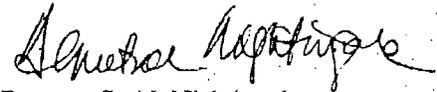
We are very much interested in including a Wisconsin site, and continue to feel that Wisconsin is one of the most significant of our six demonstrations. We are willing to do whatever might be necessary to move the process forward, including briefing you and legislative leaders on the demonstration and the benefits to Wisconsin of participating.

We look forward to working with DWD and to hearing from you soon. You may contact either of us at any time.

Sincerely,



David Butler
Hard-to-Employ Project Director
MDRC
(212)340-8621



Demetra Smith Nightingale
Hard-to-Employ Design Team
Johns Hopkins University
(410)516-8796 (office)
(703)447-2129 (cell)





INSTITUTE FOR WISCONSIN'S FUTURE

policy research in the public interest

Testimony before the Assembly Committee on Children and Families

Kathleen Mulligan-Hansel, Ph.D

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Good afternoon and thank you for the opportunity to speak today. My name is Kathleen Mulligan-Hansel. I am the director of the Working Families Project at Institute for Wisconsin's Future, a non-profit research and community education center headquartered in Milwaukee. IWF has been working on state policy issues for almost a decade, and has tracked progress and problems with W-2 since the concept was first considered by the legislature in the early 1990s.

In 2003, I served on the Transitional Jobs Task Force. I believe that the Trial Jobs Plus program outlined in AB 921 is an effective way of addressing many of the concerns about W-2 that were articulated in that Task Force.

Since W-2 was first implemented, the Trial Jobs tier has been underutilized. As many of you well know, the W-2 program is designed to help unemployed parents move toward self-sufficiency through work. Trial Jobs was envisioned as a critical rung on the ladder to self-sufficiency for W-2 participants who needed experience in real work environments to develop a stronger work history, build a resume, and establish connections to employers. Despite the fact that W-2 is a work program, we have found year after year that only a handful of participants have been placed in a trial job. The broader context and the demographic profile of the W-2 caseload suggest that many many more participants would benefit from access to a Trial Job.

There are several reasons why Trial Jobs are such a critical part of the W-2 structure.

First, this Trial Jobs Plus program will better connect W-2 participants with real work experience. Community Service Jobs and W-2 Transitions – the two W-2 tiers that are more commonly used – do not provide participants with real-work experience. In our research on W-2, IWF found that participants in the Milwaukee area were commonly being assigned menial and repetitive tasks such as counting hangers in thrift-stores or packing and unpacking the same box of books over and over. These activities did little to boost the skills of W-2 participants. Nor did they offer any sense of the real experience of holding a job. Instead, they left many participants feeling less gratified by work than they had before, and with even less motivation for aggressively pursuing employment.

When national research organizations, like MDRC, have evaluated our CSJ structure, among their main recommendations has been to make CSJs offer more real-world work experience. Trial Jobs Plus is a way to create an opportunity for real-world work experience within the current structure of W-2.

Second, this program provides more support for the employer than is available in the current system. Employers across the state have been very frank that W-2 has not met their needs. The failure of the existing Trial Jobs category results from lack of connection to and support for employers. This Trial Jobs Plus program would give us an opportunity to address that lack, making W-2 perform better for both participants that businesses that hope to employ them.

Finally, because this Trial Jobs option will pay real wages for hours worked, participants will be able to take advantage of the Earned Income Tax Credits. I cannot stress enough how much the additional resources afforded by these tax credits can improve family well-being. Advocates for low-income families report that maintaining stable housing is one of the biggest challenges these families now face. We all know that loss of housing creates enormous barriers to maintaining employment, and that homelessness often pushes families into deeper crises which require longer periods of recovery. Improving the income available to low-income families helps them maintain basic necessities and ensure the safety and well-being of their children.

Trial Jobs Plus offers an opportunity to make good on the promise of W-2 – to move families toward self-sufficiency through work. After six years of implementation of W-2, we know that many of the outcomes have been disappointing. Families remain in poverty, even after moving off of public assistance. Annual incomes hover far below the poverty line, with a recent study showing median incomes around \$5000 for former W-2 participants in Milwaukee. The 2001 audit showed that many participants were not receiving the services they needed to become successful in the labor force. This proposal represents a clear step forward, and an effort to address some of these disappointing outcomes by creating new options and new possibilities for the program, without departing from the basic philosophy that emphasizes work as the mechanism for progress. I urge you to support it.



from: Rep. Huebsch

Trial Jobs Plus Demonstration Project

Date??

General:

- July 1, 2004 – December 31, 2005
- Department is authorized to run three pilots.
- Capped at 1,000 participants.
- Like Trial Job participants, Trial Job Plus participants will be eligible for the EITC.
- Department is exempted from rulemaking requirements.

Wage Subsidy: Equal to the federal minimum wage for up to 30 hours of work per week. Training prescribed by the employer is considered work for purposes of calculating the wage subsidy if it is consistent with training provided to other employees at the worksite. In addition, the employer will be reimbursed for federal social security taxes, state and federal unemployment contributions or taxes, and workers compensation insurance premiums.

Employee Retention: Employers must agree to make a good faith effort to retain a participant after the wage subsidy is terminated. An employer who does not retain a participant must either serve as an employment reference or provide a written performance evaluation of the participant.

Intermediaries: A W-2 agency may contract with an intermediary that may act as any of the following: placement agency, employer of record, and provider of supportive services such as coaching, mentoring, counseling and job placement services.

Time Limits: Participation is limited to 6 months, with a possible extension of up to 3 months.

Funding: The department must submit a 13.10 request to JFC for release of funds from the committee's federal program supplements appropriation within 30 days of the effective date of this act. In addition to providing an accounting of the proposed budget, the request must detail demonstration project goals, strategies for implementation, and an explanation of the selection criteria by which W-2 agencies will identify the 1,000 participants.

Reporting: The department must submit a report to the legislature six months, 12 months and 20 months after the effective date of the pilot, which details the following:

- A profile of the participants, including barriers to employment.
- Average cost per placement.
- A tracking of participant employment status after the trial job ends, including the number of participants who return to a cash assistance payment.
- An accounting of expenditures including, but not limited to, administration, intermediary contracts, performance bonuses, and wage subsidies.
- The number of participants who are offered unsubsidized employment by the their trial job plus employers.
- Success in meeting existing performance standards.