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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...

#### 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**

##### **January 2014 Special Session Assembly Bill 2**

Relating to: workforce training grants to technical colleges, workforce training grants for collaborative projects among school districts, technical colleges, and businesses, workforce training grants and services to enhance employment opportunities for persons with disabilities, and making an appropriation.

By committee on Assembly Organization., by request of Governor Scott Walker

February 04, 2014 Referred to Committee on Workforce Development

February 04, 2014 **Public Hearing Held**

Present: (13) Representative Loudenbeck; Representatives Pridemore, Bernier, Kuglitsch, Born, Weatherston, Kulp, Ringhand, Billings, Barnes, Kolste, Shankland and Wachs.

Absent: (3) Representatives Petryk, Knodl and Severson.

Excused: (0) None.

##### Appearances For

- Secretary Reggie Newson - DWD
- Scott Jansen - DWD
- Dave Anderson - DWD
- Morna Foy - Wisconsin Technical College System
- Tami Jackson - Wisconsin Board for People with Disabilities
- Beth Swedeen - Wisconsin Board for People with Developmental Disabilities, Survival Coalition
- Mary Karlen
- Tricia Thompson
- Laurie Develice

##### Appearances Against

- None.

##### Appearances for Information Only

- None.

##### Registrations For

- Lisa Pugh - Disability Rights Wisconsin
- Paul Gabriel - Wisconsin Technical College District Boards

- Chris Reader - WMC

Registrations Against

- None.

Registrations for Information Only

- None.

February 06, 2014

**Executive Session Held**

Present: (14) Representative Loudenbeck; Representatives Petryk, Pridemore, Knodl, Kuglitsch, Born, Weatherston, Kulp, Ringhand, Billings, Barnes, Kolste, Shankland and Wachs.

Absent: (2) Representatives Bernier and Severson.

Excused: (0) None.

Moved by Representative Kulp, seconded by Representative Weatherston that **January 2014 Special Session Assembly Bill 2** be recommended for passage.

Ayes: (11) Representative Loudenbeck; Representatives Petryk, Pridemore, Knodl, Kuglitsch, Born, Weatherston, Kulp, Ringhand, Billings and Kolste.

Noes: (3) Representatives Barnes, Shankland and Wachs.

Absent: (2) Representatives Bernier and Severson.

PASSAGE RECOMMENDED, Ayes 11, Noes 3

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Lonna Morouney  
Committee Clerk

## Vote Record Committee on Workforce Development

Date: 2-6-14

Moved by: Kulp

Seconded by: Weatherston

AB (2) SS Jan 2014 SB \_\_\_\_\_ Clearinghouse Rule \_\_\_\_\_  
 AJR \_\_\_\_\_ SJR \_\_\_\_\_ Appointment \_\_\_\_\_  
 AR \_\_\_\_\_ SR \_\_\_\_\_ Other \_\_\_\_\_

A/S Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_  
 A/S Sub Amdt \_\_\_\_\_  
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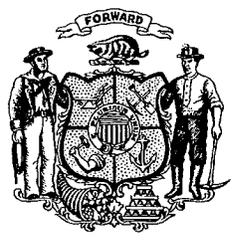
Be recommended for:  
 Passage     Adoption     Confirmation     Concurrence     Indefinite Postponement  
 Introduction     Rejection     Tabling     Nonconcurrence

<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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input type="checkbox"/>	<input checked="" 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 Bob Kulp	<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 type="checkbox"/>	<input checked="" 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Representative Dana Wachs	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

14 Present

11 yes 3 no

Motion Carried       Motion Failed



P W P U S E O

# Amendment to 2014 Special Session bill

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## LRB-3988/2

*\$35 million, training grants program to DWD, grants to enhance employment opportunities for people with disabilities*

As drafted, the bill does not require grant funds awarded “to enhance employment opportunities for people with disabilities” to result in specific employment outcomes (i.e. jobs in the community at a competitive wage).

While the Department is required to promulgate administrative rules on grant criteria and must require reports from grantees, neither requires jobs for people with disabilities to be a quantifiable outcome.

Investment of state funds in “training” or “employment enhancement” activities, or increasing the number of participants in a training program is not an outcome. The outcome is whether those programs result in an increased number of individuals participating in community jobs at competitive wages. Without requiring reporting of outcomes, there is a risk that additional state investment in programs will not result in higher employment rates for people with disabilities or result in reduced dependence on public benefits by this population. Since the appropriation in this bill will be in addition to the legislature’s recent investment in state vocational rehabilitation program supports (combined state and federal funds from 2013 Act 58 increased funding by nearly \$20 million over the 2013-15 biennium) an employment outcome congruent with the vocational rehabilitation program’s mandated federal definition is necessary to ensure alignment of agency efforts.

The annual reporting requirement to the legislature is a first step, but as the state’s fiscal oversight body, the legislature should require DWD to provide a report on employment outcomes so the state’s investment can be quantified.

## Recommended amendment to LRB 3988/2:

- (page 3 line 7) Section 2. 106.27 (1g) (c) is amended to read:

Grants to public and private organizations or services provided by the department to increase successful employment outcomes for persons with disabilities consistent with the employment outcome definition in the provisions of 29 USC 701 to 796i, the rehabilitation act of 1973 as amended and 34 CFR Part 361.5 (16). Priority in grants will be given to grantees who maximize the employment outcomes of individuals with significant disabilities as defined in 34 CFR Part 361.5 (31).

- (page 3 line 15) Section 3. 106.27 (2g) (a) 1. Is amended to read:

106.27 (2g) (a) 1. Promulgate rules prescribing procedures and criteria for awarding grants under sub. (1), including definitions for successful employment outcomes of persons with disabilities consistent with the employment outcome definition in the provisions of 29 USC 701 to 796i, the rehabilitation act of 1973 as amended and 34 CFR Part 361.5 (16), and the information with respect to those grants, that must be contained in the reports required under subd. 3.

- (page 4 line 2) Section 106.27 (2g) (a) 3. Of the bill is amended to read:  
106.27 (2g) (a) 3. Require reports from grant recipients describing how the grant moneys received by a grant recipient were expended and the outcomes achieved as a result of the training program, waiting list reduction activities, certification program, or employment enhancement activities and including the number of successful employment outcomes for individuals with disabilities achieved during the grant period.

- (page 4 line 20-21) Section 6. 106.27 (3) of the bill is amended to read:  
“...The report shall also include information on the extent to which waiting lists for enrollment in courses and programs provided by technical colleges in high-demand fields are reduced as a result of grants under sub. (1g) (ag) on the number of high school pupils who participate in certification programs under sub. (1g) (b), and on the number of persons with disabilities who achieve successful employment outcomes as a result of participation of activities under sub. (1g) (c). The department shall also include in the report the percentage increase from the previous fiscal year in the number of working age (18 – 64 years old) individuals with disabilities who received supports through DWD and who obtained or retained full or part-time competitive, integrated employment.

**Contact:**

Lisa Pugh  
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[lisa.pugh@drwi.org](mailto:lisa.pugh@drwi.org)

Tami Jackson  
Wisconsin Board for People with Developmental Disabilities  
(608) 266-0979  
[Tamara.Jackson@wisconsin.gov](mailto:Tamara.Jackson@wisconsin.gov)

# Proposed Cross-Reference Definitions to the Amendment of 2014 Special Session LRB-3988/2

## LRB-3988/2

*\$35 million, training grants program to DWD, grants to enhance employment opportunities for people with disabilities*

### Federal and State definitions for Vocational Rehabilitation Programs

#### 34 CFR Part 361

#### State Vocational Rehabilitation Services Program; Final Rule

Sec. 361.5 Applicable definitions.

(16) Employment outcome means, with respect to an individual, entering or retaining full-time or, if appropriate, part-time competitive employment in the integrated labor market to the greatest extent practicable; supported employment; or any other type of employment, including self-employment, telecommuting, or business ownership, that is consistent with an individual's strengths, resources, priorities, concerns, abilities, capabilities, interests, and informed choice. (Authority: Sections 7(11), 12(c), 100(a)(2), and 102(b)(3)(A) of the Act; 29 U.S.C. 705(11), 709(c), 720(a)(2), and 722(b)(3)(A))

(31) Individual with a significant disability means an individual with a disability--

(i) Who has a severe physical or mental impairment that seriously limits one or more functional capacities (such as mobility, communication, self-care, self-direction, interpersonal skills, work tolerance, or work skills) in terms of an employment outcome;

(ii) Whose vocational rehabilitation can be expected to require multiple vocational rehabilitation services over an extended period of time; and

(iii) Who has one or more physical or mental disabilities resulting from amputation, arthritis, autism, blindness, burn injury, cancer, cerebral palsy, cystic fibrosis, deafness, head injury, heart disease, hemiplegia, hemophilia, respiratory or pulmonary dysfunction, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, musculo-skeletal disorders, neurological disorders (including stroke and epilepsy), spinal cord conditions (including paraplegia and quadriplegia), sickle cell anemia, specific learning disability, end-stage renal disease, or another disability or combination of disabilities determined on the basis of an assessment for determining eligibility and vocational rehabilitation needs to cause comparable substantial functional limitation.

(Authority: Section 7(21)(A) of the Act; 29 U.S.C. 705(21)(A))

#### Wisconsin State Statutes:

#### 47.02 Vocational rehabilitation.

47.02(1)(1) The state agrees to accept the provisions of 29 USC 701 to 796i, the rehabilitation act of 1973 as amended, and the provisions of 34 CFR 300 to 399 to carry out the purposes of the act and to adopt methods of administering the vocational rehabilitation program which will maximize federal participation. The department shall sign agreements with the federal government under 29 USC 701 to 796i to provide vocational rehabilitation services.

(o) Report to the federal department of education as required in 29 USC 721 (a) (10).

## Allen-Hubka, Theresa

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**From:** Morouney, Lonna  
**Sent:** Tuesday, February 04, 2014 10:08 AM  
**To:** Allen-Hubka, Theresa  
**Subject:** FW: Proposed amendment to LRB 3988 - enhancing employment for people with disabilities  
**Attachments:** proposed amendment to LRB 3988 - an act to enhance employment for persons with disabilities.docx; Proposed Cross-Reference Definitions for Amendment to LRB 3988 - employment of people with disabilities.docx; lrb3988 governor walker draft employment bill.pdf

Please print two copies for the WD hearing today-one for amy and one for me (all attachments and the email) thanks!

Lonna Morouney  
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](mailto:Lonna.morouney@legis.wi.gov)

-----Original Message-----

**From:** Lisa Pugh [<mailto:Lisa.Pugh@drwi.org>]  
**Sent:** Saturday, February 01, 2014 7:25 AM  
**To:** Rep.Loudenberg  
**Cc:** Lisa Pugh; Morouney, Lonna  
**Subject:** Proposed amendment to LRB 3988 - enhancing employment for people with disabilities

Dear Representative Loudenberg;

I note that late Friday your Workforce Committee announced a public hearing on the Governor's Special Session bill - LRB 3988/2 which will enhance employment opportunities for individuals with disabilities and allocate funds. Our organization is very supportive of this legislation and the Governor's initiative.

I am writing with a simple suggestion to improve the bill that we have been talking about with various concerned constituents (families and people with disabilities) statewide as well as legislators. Specifically, families and individuals have been telling us they would like to ensure that new funds going to DWD and DVR to improve employment would have a stronger emphasis on measuring outcomes - specifically telling us how funds increased paid work for people with disabilities. We note that currently LRB 3988/2 will only track employment "activities" vs. successful employment "outcomes" for people with disabilities. We have been working with families to draft a proposed amendment to the bill that uses a strong statutory definition of an "employment outcome" that is aligned with the outcomes DVR is already required to measure and report. We believe it is important that considerable new funds are targeted in this manner so we are not only told how many people participated in trainings.

Rep. Kaufert has already committed to draft this amendment for us and his staffer Adam sent it to drafting Friday so we would have something to show to other legislators and discuss. We have also talked with Rep. Strachota's office as her staff has expressed concerns about quality employment outcomes in DWD programs. I have a meeting with Rep. Strachota on Tuesday.

I hope you will consider working with us to introduce this amendment during the bill hearing on Tuesday. We would very much appreciate your support.

I have included three attachments:

1. LRB 3988 – the governor's original bill draft.
2. Proposed amendment to LRB 3988 – which more clearly defines how we hope DWD will report outcomes for use of their new funds.
3. Info sheet which explains the definitions for outcomes that we cross-reference in our amendment.

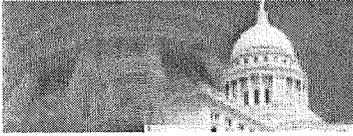
Thank you so much for considering this request. I look forward to working with you.

Regards,

Lisa

Lisa Pugh, Public Policy Coordinator  
Wisconsin Disability Policy Partnership  
DISABILITY RIGHTS WISCONSIN  
131 W. Wilson St.  
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608-267-0214  
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# 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

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**Assembly Committee on Workforce Development  
LRB 3988/2**

**February 4, 2014**

**Testimony provided by Reginald Newson, Secretary**

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

We are here today in support of the Governor's LRB 3988/2, which has been introduced as part of Wisconsin's "Blueprint for Prosperity."

As you know, Governor Walker's focus has been on making life better for the residents of our state by growing our economy, developing our workforce, and transforming education. Through investment in workforce initiatives, we are aiming at equipping workers with the skills they need to find jobs in the modern workforce.

Today, we see a dramatic turnaround in our state. Governor Walker's reforms are helping the people of Wisconsin create more jobs and more opportunity. Now we want to build on that progress by making targeted investments in worker training and education to make sure Wisconsinites have the skills necessary to get the available jobs in our state.

As part of the Governor's Blueprint for Prosperity, this bill expands the Wisconsin Fast Forward program by \$35 million dollars to focus on three specific areas.

First, we increase investments in our technical colleges to eliminate waiting lists for the training of students in high demand fields. These waiting lists actually hinder students from getting the training they need to help meet our employers' demands today. As you know, Wisconsin's Fast Forward was originally created to help better equip our workers with the skills that employers need to succeed. By using a large portion of the additional \$35 million for this goal, we expect to move students off of waiting lists and into classrooms and provide them with the industry-recognized certifications they need to meet Wisconsin's workforce demands.

We have already been working collaboratively with the Wisconsin Technical College System (WTCS) to develop a process that will allow for the expeditious and efficient distribution of these funds to address waiting lists for the upcoming fall semester and possibly even for their summer programs. I commend the WTCS for their hard work on addressing the employer identified skills gaps and we look forward to continuing to work with them in a cooperative fashion to address this mutual problem.

*Per Cap demands*

The second emphasis of the additional Fast Forward dollars is to get high school students trained in high demand jobs through an expansion of dual enrollment type academies and programs. More than just providing academic credit at both high schools and technical colleges, these types of programs are work-based learning programs that bring employers together with technical colleges and high schools to target seniors as both students and future employees. These seniors are able to receive employer driven training while working to earn credits toward graduation and a technical diploma or associate degree.

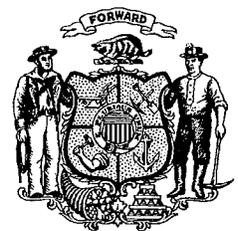
Finally, an additional emphasis of this Fast Forward expansion is to support the Governor's year of "A Better Bottom Line: Employment Opportunities for People with Disabilities." This initiative is targeted toward helping people with disabilities enter the workforce. The Governor feels strongly that doing so will benefit employees, employers, and the community. By focusing on building these opportunities, we recognize what a great asset people with disabilities are in the workplace.

We can accomplish this goal through an expansion of the already successful Project SEARCH program, which is administered by the Wisconsin Department of Health Services with the assistance of the Wisconsin Division of Vocational Rehabilitation. Project SEARCH is a business-led collaboration that helps young people with disabilities transition from high school to the workplace. There are currently seven business project SEARCH sites in Wisconsin, and we look to expand that to 20 with your support.

We are excited about this opportunity to work collaboratively with the Wisconsin State Legislature, the Wisconsin Technical College System, and our state's businesses to continue to expand the talent pipeline in Wisconsin and to get our employers the experienced candidates they are looking to hire. Thank you again Chairperson Loudenberg and committee members for this opportunity to testify before the committee and we would be happy to answer any questions you may have.

innovation  
from  
Cleveland  
clinic

+15-20  
sites



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Secretary's Office  
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Scott Walker, Governor  
Reginald J. Newson, Secretary

February 4, 2014

Beth Swedeen  
Wisconsin Board for People with  
Developmental Disabilities  
201 W. Washington Avenue, Suite 110  
Madison, WI 53703

Lisa Pugh  
Disability Rights Wisconsin  
131 W. Wilson Street, Suite 700  
Madison, WI 53703

Dear Ms. Swedeen and Ms. Pugh:

In implementing the Governor's Special Session bill to provide "grants to public and private organizations or services provided by the department to enhance employment opportunities for persons with disabilities," [proposed under s. 106.27(1g)(c)], the Department of Workforce Development agrees to the following:

- 1) The Office of Skills Development (OSD), in partnership with the Division of Vocational Rehabilitation (DVR), will issue Grant Program Announcements (GPAs) that specify grants awarded under this section will preference and measure employment outcomes based on integrated community-based employment at a competitive wage.
- 2) GPAs under this section will also specify that reports from grant recipients will include the number of persons with disabilities who participate in employment enhancement activities and the number of successful outcomes for individuals with disabilities achieved through the grant, as referenced above.
- 3) In preparing GPAs and in reviewing grant applications, OSD will consult with DVR and its stakeholders and partner agencies.

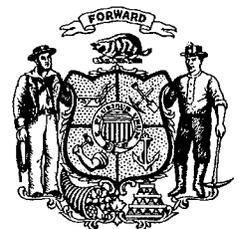
Sincerely,

A handwritten signature in black ink that reads "Reggie Newson".

Reggie Newson  
Secretary



# WISCONSIN STATE LEGISLATURE



February 4, 2014

To: Representative Loudenbeck, Chair  
Representative Petryk, Vice-Chair  
Members, Assembly Committee on Workforce Development

From: Lisa Pugh, Public Policy Coordinator

Re: LRB 3988/2 – workforce training grants; services to enhance employment of people with disabilities

Thank you for the opportunity to provide input to this committee on LRB 3988/2 – a bill to provide workforce training grants, including services to enhance employment of people with disabilities. In addition, thank you for this committee's ongoing commitment to improving employment rates for people with disabilities, including the historic new funding for the state's vocational rehabilitation program which was signed into law last December.

Our organization is very supportive of the Governor's *Better Bottom Line* initiative, announced at the January 22 State of the State address, which is the foundation for this bill. The outline that the Governor put forward is a very positive step to address our poor employment participation rates for people with disabilities, which as you know, hover at just 18% while the general population is employed at a rate of 68%. Considering the fact that many people with disabilities also live in poverty (27%) and rely heavily on public benefits, investing in proven, effective employment supports is a smart decision that both improves quality of life and relieves stress on public systems.

The Governor's bill that targets investments in DWD programs is a clear cut way to improve employment rates. DWD's Division of Vocational Rehabilitation-DVR program which provides specialized supports to people with disabilities looking for employment has a proven track record of a 210% return on investment for public dollars spent.

Disability Rights Wisconsin has contacted many committee member offices about an idea for improvement to this bill. Specifically, we are looking for the initiative to go one step further to strengthen accountability to outcomes. Given the fact that the Legislature recently made a considerable investment in DWD's DVR program, we would like this new investment to be coordinated to ensure **employment outcomes**. The fast track for this legislation in the special session means we did not have time to consult directly with DWD about accountability concerns as they worked with the Governor's office to draft this legislation. Therefore, we are looking for any means achieve strong and transparent accountability toward employment outcomes with this new funding.

Our main concern is that the reports from grantees and the reports from DWD to the Legislature should not just include the numbers of people who participated in employment activities, but **must clearly demonstrate the actual improvement in employment rates** that the training activities are targeted to impact. A strong "employment outcome" definition exists in statute and is already tracked and required to be reported on by DVR. Alignment of these investments is critical to maximize results.

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**MADISON**

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**RICE LAKE**

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Rice Lake, WI 54868

715 736-1232  
715 736-1252 FAX

disabilityrightswi.org

800 928-8778 consumers & family

We strongly advise that DWD use a concrete definition of "employment outcome" in their contracts and grant RFPs that clearly emphasizes a level of employment that would have the effect of reducing a person's reliance on public benefits. DWD has provided us with assurances that this is their intent.

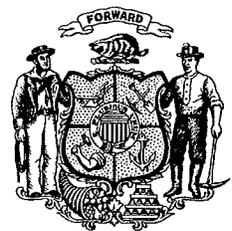
It is our experience that when these assurances do not exist, that we do not get the intended result. Wisconsin lags behind other states in their integrated, competitive employment rates for people with intellectual disabilities. Washington's rate is 89%; Oklahoma is at 61%; Connecticut at 53% and New Hampshire at 51%. Wisconsin's Integrated Employment rate is around 20%. These successful states have several core elements in common that should be components of the Governor's initiative and a consideration in these newly funded grants and the work of DWD and other state agencies:

1. Clear, long-standing policy with committed state agency leadership to ensure disability employment policy remains priority over time.
2. Innovative funding strategies that create clear incentives to support people in integrated/supported employment, that tie funding levels to individual need, and that reward providers who produce the most/best outcomes.
3. Strong case management that actively encourages everyone toward integrated employment, monitors and stimulates progress over time, and ensures judicious use of funds.
4. High accountability of employment service providers to deliver outcomes in cost-effective manner and to actively participate in encouraging people to pursue integrated employment, and to sustain/build on initial outcomes achieved for individuals by increasing employment hours/earnings and actively supporting career advancement.

Through our work with individuals and families who participate in DVR, Project Search, the Walgreen's REDI initiative and other DWD programs targeted toward improving employment of people with disabilities, we hear directly about both the good and the "needs improvement" parts of programs. We trust that when agencies and programs are held accountable to report real results – not just participation numbers – they will be motivated to fix problems and improve quality.

Thank you for taking this input into consideration.

**Contact: Lisa Pugh**  
**608-267-0214**  
**[lisa.pugh@drwi.org](mailto:lisa.pugh@drwi.org)**





# Survival Coalition

of Wisconsin Disability Organizations

February 4, 2014

Assembly Committee on Workforce Development  
Representative Amy Loudenberg, Chair  
State Capitol, Room 415 Northwest  
Madison, WI 53707

Dear Rep. Loudenberg and Committee Members:

Thank you for the opportunity to comment on LRB-3988/2.

The Survival Coalition of Wisconsin Disability Organizations supports the Governor's Better Bottom Line initiative. We could not be more pleased that the Administration is focusing on community jobs at competitive wages for people with disabilities. Statewide, we hear from people with disabilities and their families that access to a meaningful job is among the highest priorities for people living with disabilities. A productive job at fair wages is positively linked to better health, reduced poverty, and overall decreased reliance on public supports and programs.

We support investments that will result in integrated employment outcomes for people with disabilities. The recent passage of an additional \$14 million investment in Wisconsin's Division of Vocational Rehabilitation (DVR) – the state's program to help people with disabilities find jobs in the community – is a positive step toward simultaneously meeting our state's workforce needs while addressing Wisconsin's high unemployment rate for people with disabilities. We are pleased that a portion of the \$35 million appropriation in the proposed bill will establish a grant program that could complement DVR's efforts and result in the establishment of additional hiring/training programs that may result in more people with disabilities in jobs.

While we support this bill, as drafted it currently does not require grant funds that would be awarded "to enhance employment opportunities for people with disabilities" to result in specific employment outcomes (e.g. jobs in the community at a competitive wage). At a minimum, these training programs should track and report how many or percentage of trainees who receive competitive jobs in industries related to the training program.

Investment of state funds in training or employment enhancement activities, or increasing the number of participants in a training program are positive steps, but are not outcomes. Since the appropriation in this bill will be in addition to the legislature's recent investment in state vocational rehabilitation program supports (combined state and federal funds from 2013 Act 58 increased funding by nearly \$20 million over the 2013-15 biennium), an employment outcome that reflects the vocational rehabilitation program's mandated federal definition is necessary to ensure alignment of agency efforts.

The Survival Coalition of Wisconsin Disability Organizations is a cross-disability coalition of more than 30 state and local organizations and groups. For more than 20 years, Survival has been focused on changing and improving policies and practices that support people with disabilities of all ages to be full participants in community life.

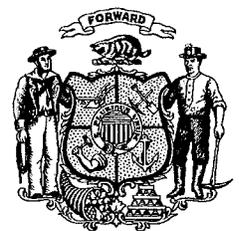
Thank you for your consideration,

Survival Co-Chairs:

Maureen Ryan, [moryan@charter.net](mailto:moryan@charter.net), (608) 444-3842

Beth Swedeen, [beth.swedeen@wisconsin.gov](mailto:beth.swedeen@wisconsin.gov), (608) 266-1166

Kristin M. Kerschensteiner, [kitk@drwi.org](mailto:kitk@drwi.org), (608) 267-0214



## **Morouney, Lonna**

---

**From:** Morouney, Lonna  
**Sent:** Wednesday, February 05, 2014 3:19 PM  
**Subject:** Workforce Development Committee Special Session AB 2 Information  
**Attachments:** SSAB2 Fiscal Estimate WTCS.pdf; DWD letter 2-4-14 SS AB2.pdf

Workforce Development Committee Members,

I am providing you this information as follow up to the public hearing yesterday on January 2014 Special Session Assembly Bill 2.

We are expecting January 2014 special session bill information to be available on the state legislature home page later today. Currently you can access information on the bill through this link:

<https://docs.legis.wisconsin.gov/2013/proposals/jr4/ab2>

I've attached the fiscal estimate from WTCS.

I've attached the letter from DWD Secretary Reggie Newson to Beth Swedeen of the Wisconsin Board for People with Developmental Disabilities and Lisa Pugh from Disability Rights Wisconsin which is in response to their concerns about employment outcome measures.

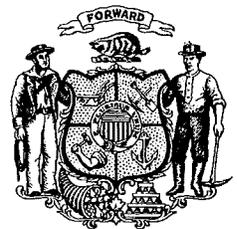
Lonna

Lonna Morouney  
Committee Clerk for Assembly Committee on Workforce Development  
Office of Representative Amy Loudenberg  
31<sup>st</sup> Assembly District

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Madison, WI 53708  
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# WISCONSIN STATE LEGISLATURE



ASSEMBLY COMMITTEE ON WORKFORCE DEVELOPMENT

EXECUTIVE SESSION

FEBRUARY 6, 2014

I. CALL TO ORDER AND ROLL CALL

A. Call the meeting of the Assembly Committee on Workforce Development to order:

1. Strike the gavel.
2. (If necessary, ask members and visitors to take their seats)
3. (If they are recording the meeting, mention Wisconsin Eye)
4. Request that cell phones be silenced.

7 Request  
7 wait

B. Ask the clerk to call the roll.

II. ORDERS OF BUSINESS

A. The committee is meeting to take executive action on two bills. The first bill is **January 2014 Special Session Assembly Bill 2**, relating to “workforce training grants to technical colleges, workforce training grants for collaborative projects among school districts, technical colleges, and businesses, workforce training grants and services to enhance employment opportunities for persons with disabilities, and making an appropriation.”

1. Ask Legislative Council to summarize JR4 AB2. ✓
2. Ask for a motion and second to *recommend passage of January 2014 Special Session Assembly Bill 2*.
3. Entertain discussion.
4. Ask the clerk to call the roll. Announce whether the motion is successful.

B. The second bill for executive action today is **Assembly Bill 712**, relating to “exempting employers from keeping records of the hours of employment of an employee who is exempt from the overtime pay requirement and who is not compensated on an hourly rate basis.”

1. Ask Legislative Council to summarize AB 712.
2. Ask for a motion and second to *recommend passage of Assembly Bill 712*.
3. Entertain discussion.
4. Ask the clerk to call the roll. Announce whether the motion is successful.

III. ADJOURNMENT

A. Declare the meeting adjourned, striking the gavel.

Banner  
Shenkland



# WISCONSIN STATE LEGISLATURE





# WISCONSIN **FAST** FORWARD

→ SKILLED WORKERS. SMART BUSINESS. STRONG WISCONSIN.

## ANNUAL REPORT December 2013

*Wisconsin is Open for Business*



Department of Workforce Development



December 20, 2013

Governor Scott Walker  
Room 115 East  
Wisconsin State Capitol  
Madison, WI 53703

Senator Alberta Darling  
Co-Chair, Joint Finance Committee  
Room 317 East  
Wisconsin State Capitol  
Madison, WI 53703

Representative John Nygren  
Co-Chair, Joint Finance Committee  
Room 309 East  
Wisconsin State Capitol  
Madison, WI 53703

Dear Governor Walker, Senator Darling, and Representative Nygren:

On March 13, 2013, Governor Walker signed into law 2013 Wisconsin Act 9, putting in place the Wisconsin Fast Forward initiative. The bill, authored by Senators Rick Gudex and Robert Cowles and Representative Kathy Bernier, passed both houses of the legislature with overwhelming bipartisan majorities.

Since that time, the Department of Workforce Development (DWD) has moved quickly to implement the legislation. Within six months, DWD established the Office of Skills Development (OSD) to administer the program, designed the grant program and associated systems, developed applicable administrative rules, and issued the first round of Grant Program Announcements in November 2013. The initial round of announcements makes up to \$2.7 million in grants available to train workers in the manufacturing, construction, and customer service sectors.

As required by Wis. Stats. 106.27 (3), this report summarizes activities for Wisconsin Fast Forward through state fiscal year 2013. Specifically, this report includes:

- ◆ An overview of the program.
- ◆ Activities to implement Wisconsin Fast Forward in close collaboration with numerous workforce partners.
- ◆ A summary of data points to illustrate the reach of the program.
- ◆ Future implementation activities.

As you know, the intent behind the Wisconsin Fast Forward program is to provide funds for training programs to employers in response to documented skill needs not currently addressed by other training programs. With input from companies, local and regional economic and workforce development organizations, the Wisconsin Economic Development Corporation, and the Wisconsin Technical College System, the Office of Skills Development will continue to make available grant announcements that are responsive to the needs of employers.

In the coming months, we will continue to reach out to businesses in Wisconsin, ensuring that they can access the qualified workers they need to successfully expand.

We look forward to sharing a full year of activities from Wisconsin Fast Forward in future reports.

Sincerely,

Reggie Newson  
Secretary



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- 1 **Key Dates**
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- 3 **Wisconsin Fast Forward Inquiry Process**
- 3 **Wisconsin Fast Forward Principles and Partnerships**
- 4 **Wisconsin Fast Forward Grant Process**
- 5 **Wisconsin Fast Forward by the Numbers**
- 6 **Wisconsin Fast Forward Outreach & Education**

### **Statutory Requirement**

**Wis. Stats. 106.27 (3) Annual Report:** Annually, by December 31, the department shall submit a report to the Governor and the co-chairpersons of the Joint Committee on Finance providing an account of the department's activities and expenditures under this section during the preceding fiscal year. The report shall include information on the number of unemployed and underemployed workers and incumbent employees who participate in training programs under this section; the number of unemployed workers who obtain gainful employment, underemployed workers who obtain new employment, and incumbent employees who receive increased compensation after participating in such a training program; and the wages earned by those workers and employees both before and after participating in such a training program.

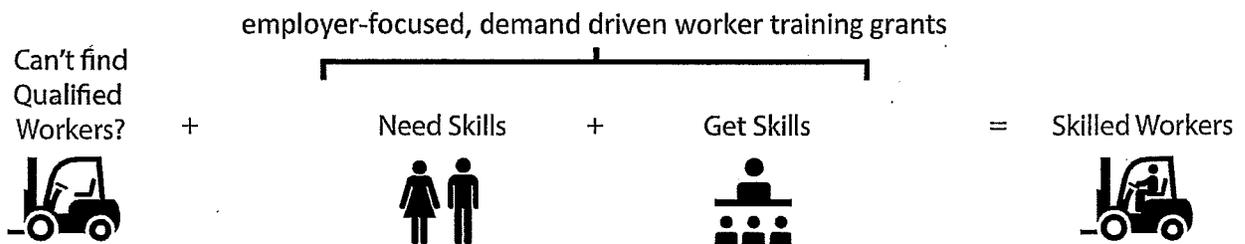
As no grants were awarded during the preceding fiscal year, DWD has no grant expenditure information to report pursuant to Wis. Stats. 106.27 (3).



## Wisconsin Fast Forward Overview

Governor Scott Walker signed 2013 Act 9, also known as Wisconsin Fast Forward, into law in March 2013 with strong bipartisan support from both houses of the Wisconsin Legislature.

The Wisconsin Fast Forward program appropriates \$15 million to provide employer-focused, demand driven worker training grants, authorizes four positions in a newly created Office of Skills Development (OSD), and includes funding to develop a cutting-edge labor market information system.



OSD encourages the development of innovative business-driven training programs at the local and regional level by building and incentivizing collaboration between businesses, educators, workforce development entities, and economic development organizations to meet area workforce demands. To maintain a strong environment for private sector job creation, Wisconsin must train workers to fill the employment demands of growing and expanding businesses. The Wisconsin Fast Forward training grant program complements the technical skills training and education offered by Wisconsin's technical colleges, post-secondary institutions, and training providers.

The Wisconsin Fast Forward Program will act as a training and skills development catalyst, encouraging increased collaboration between Wisconsin's workforce trainers and businesses to develop and execute business-led training programs. These training programs are designed to provide sustainable short- and medium-term training and placement of workers in positions that offer trainees long-term professional growth and economic opportunity.

## Labor Market Information System (LMIS)

- ◆ In the Wisconsin Fast Forward legislation, DWD was directed to develop an enhanced labor market information system.
- ◆ Following the passage of the bill, DWD began a competitive procurement process to choose a vendor to meet the enhanced system requirements.
- ◆ Burning Glass Technologies, a company based in Boston, MA, was chosen to develop a cutting-edge labor market information system for Wisconsin employers and job seekers.
- ◆ The system will provide enhanced functionality to the existing Job Center of Wisconsin website, enabling job seekers to access tens of thousands of available jobs and enabling employers to post openings and connect with an ever-increasing talent pool.
- ◆ The LMIS will also enable automated matching of a job seeker's skills with relevant employer openings, increasing the pool of available openings compared to a traditional job search based on occupational titles.



## Key Dates

February 2013: Wisconsin Fast Forward legislation is introduced in the Wisconsin Legislature.

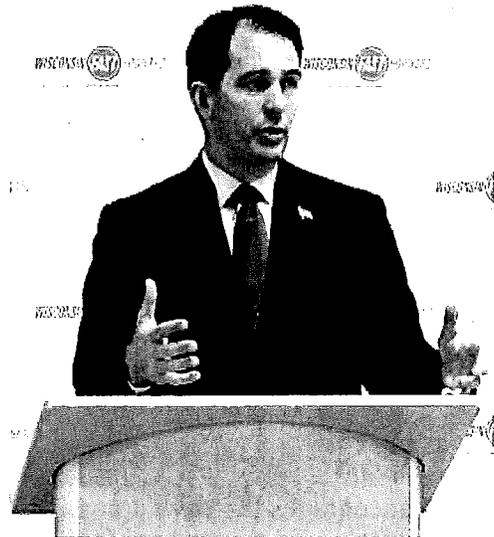
March 2013: 2013 Wisconsin Act 9 is signed by Governor Walker.

May 2013: First Office of Skills Development staff hired.

October 2013: Emergency Rules become effective.

November 2013: Governor Walker announces the first round of Grant Program Announcements totaling \$2.7 million to train workers in manufacturing, construction, and customer service.

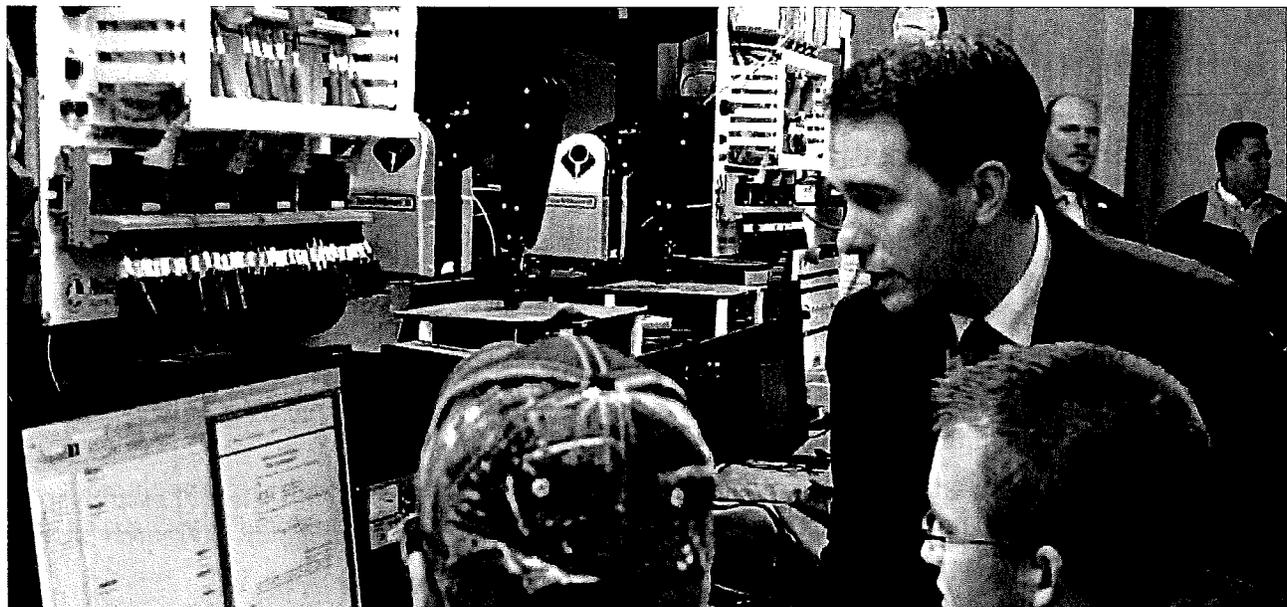
Early 2014: First round of grants will be awarded and second round of Grant Program Announcements will be released.



Additional Grant Program Announcements will be released each quarter through June 30, 2015.

## Office of Skills Development

The Office of Skills Development (OSD) is uniquely positioned to serve as a resource for any business seeking skilled workers in Wisconsin. Through either the Wisconsin Fast Forward grant program or traditional workforce programs and services, OSD is committed to connecting businesses to workforce partners who can train or access the workers they need. OSD staff routinely visit with regional economic development corporations, workforce development boards, technical colleges, chambers of commerce and other workforce development partners and agencies to listen to employer needs, to connect employers to resources and programs and to explain the training grant program opportunities.





## Wisconsin Fast Forward Grant Program

- ▶ 2013 Wisconsin Act 9 authorizes \$15 million in general purpose revenue for the 2013-2015 biennium for training grants.
- ▶ The grants can be used for training unemployed and underemployed workers and increasing the skills of incumbent workers at Wisconsin businesses.
- ▶ DWD has developed a strategic partnership with the Wisconsin Technical College System (WTCS) and the Wisconsin Economic Development Corporation (WEDC) in the implementation of this workforce training program.
- ▶ Per 2013 Wisconsin Act 9, the Wisconsin Fast Forward program will report the following metrics annually to the Governor and the Joint Finance Committee:
  - the number of unemployed and underemployed workers and incumbent employees who participate in training programs under this section;
  - the number of unemployed workers who obtain gainful employment, underemployed workers who obtain new employment, and incumbent employees who receive increased compensation after participating in such a training program; and
  - the wages earned by those workers and employees both before and after participating in such a training program. Grantees must report on these metrics and how the money was used.
- ▶ DWD has developed administrative rules (DWD 801) to govern the grant program, detail the business processes for the grant program and establish the mechanism for organizations to apply for grants. DWD is currently operating under emergency rules and anticipates final approval and publication of permanent administrative rules in early 2014.

## Wisconsin Fast Forward Inquiry Process

In addition to managing the \$15 million worker training grant program, OSD provides technical assistance to Wisconsin employers experiencing a need for skilled workers. This assistance ranges from facilitating meetings between an employer and the existing local workforce infrastructure to the development of collaborative, multi-employer Wisconsin Fast Forward grant applications.

To make it easy for employers to identify their workforce training needs, OSD has created an online inquiry process where employers can discuss their skills gap and training needs. This information is submitted via the [WisconsinFastForward.com](http://WisconsinFastForward.com) website and shared with OSD's strategic partners, the Wisconsin Economic Development Corporation (WEDC) and the Wisconsin Technical College System (WTCS), and other economic and workforce development resources to develop customized training solutions specific to employers' needs. This demonstrated need for skilled workers, in combination with available labor market data, helps drive the Grant Program Announcement development process.

**“Employers have already suggested over 130 training concepts since launching the online inquiry process this summer.”**



## Wisconsin Fast Forward Principles and Partnerships

OSD, in concert with a number of workforce partners, developed a series of guiding principles for the Wisconsin Fast Forward program. Partners include the WEDC, the WTCS, area Workforce Development Boards, the Department of Public Instruction, and a number of additional local, regional, and statewide organizations. Our shared vision is to position Wisconsin as a global leader in workforce development, preparing and training skilled workers for careers in growth sectors.

The following principles underscore the goals of the Wisconsin Fast Forward grant program:

- ▶ Demand-driven: Grants will be awarded in response to an identified labor need of an employer or group of employers where existing programs cannot meet the defined need or outcome.
- ▶ Sector-specific: OSD will utilize labor market data and inquiries to determine which industry sectors have specific worker training and skill requirements or projected employment growth to maximize the impact of grant awards.
- ▶ Data-supported: Current and projected labor market information and skill requirements will significantly influence grant decisions.
- ▶ Collaboration-based: Successful grant applications will leverage collaboration with workforce development boards, economic development organizations, education providers, state agencies, and/or business associations.
- ▶ Transparent and accountable: DWD and OSD will partner closely to ensure that the process for soliciting, reviewing, and awarding worker training grants occurs with a high degree of transparency and accountability. OSD will leverage DWD audit resources to ensure that program costs follow agency, state, and federal regulations and that program outcomes are met or exceeded.
- ▶ Sustainable and replicable: OSD will encourage the development of sustainable training models that can be utilized in other industry sectors or regions across Wisconsin.

These values ensure that the Wisconsin Fast Forward grant program operates in close collaboration with Wisconsin businesses, establishing training programs that meet the skill requirements of hiring companies. Additionally, DWD will work closely with K – 12 educators to ensure students are exposed to workforce projections and high-demand occupations that align with growing and expanding opportunities throughout Wisconsin, with a vision of ensuring that secondary and post-secondary students are able to make informed decisions about their future and access training that will lead to a family-supporting job.



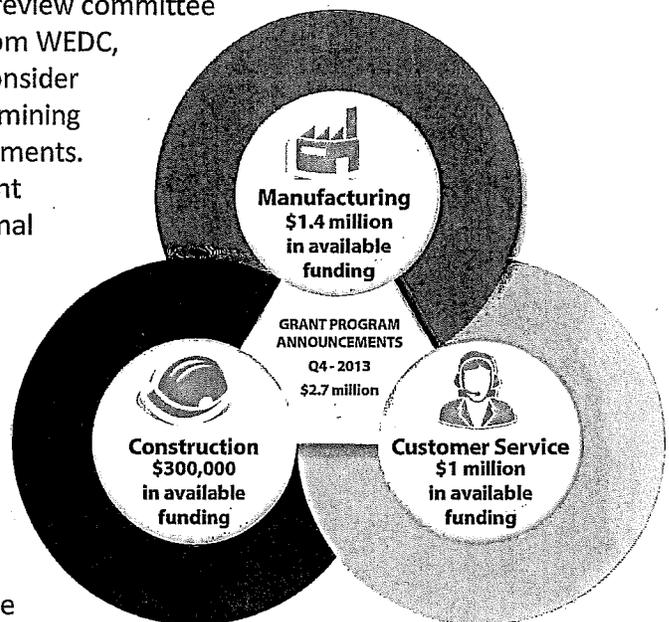
Pictured from left: WTCS President Morna Foy, DWD Secretary Reggie Newson, and WEDC CEO/Secretary Reed Hall



## Wisconsin Fast Forward Grant Process

OSD has developed a robust grant announcement creation, submission, review, approval, and monitoring process that includes a number of key workforce stakeholders.

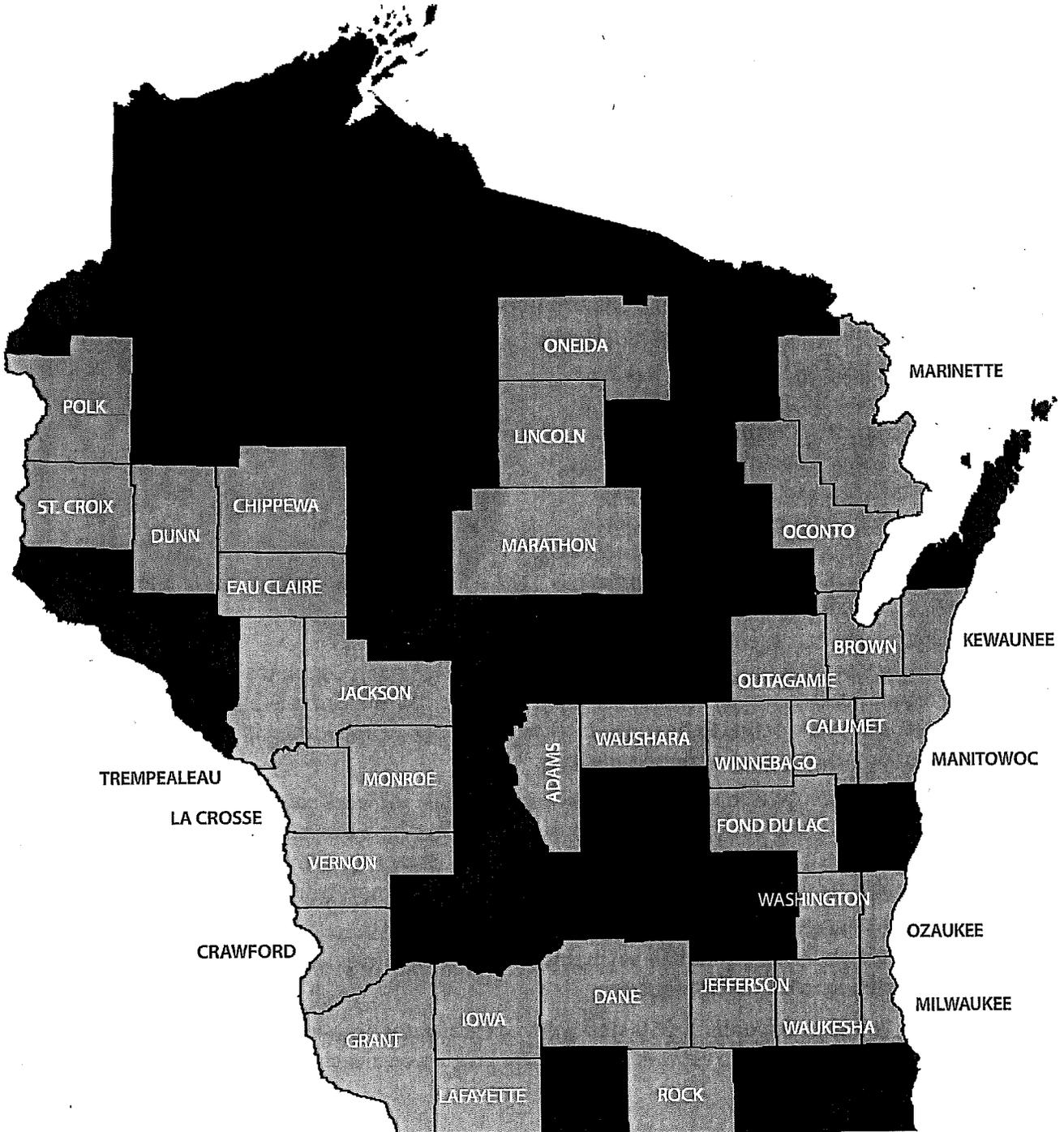
- ▶ **Grant Inquiries:** Businesses, economic development entities, and workforce development organizations can submit inquiries to OSD highlighting a skill need at a private-sector employer. Inquiries received will be reviewed by a committee consisting of OSD staff and representatives from the Wisconsin Economic Development Corporation (WEDC), Wisconsin Technical College System (WTCS), and the Wisconsin Workforce Development Association to determine a course of action.
- ▶ **Grant Program Announcements:** A technical review committee consisting of OSD staff and representatives from WEDC, WTCS, and the Department of Revenue will consider grant inquiries and labor market data in determining the development of Grant Program Announcements. Each announcement will include a total amount available, sector-focused training, and additional eligibility criteria for prospective applicants.
- ▶ **Grant Application Submission, Review, and Approval:** Businesses can apply for available grant opportunities released through Grant Program Announcements. Businesses can also include economic development entities and/or workforce development organizations as partners and must identify a training provider in their application. OSD staff and, depending upon the dollar amount, representatives from WEDC, WTCS and the business community will serve as the Grant Evaluation Committee and review applications and recommend approval, conditional approval, or denial. The Grant Evaluation Committee will convene a public meeting to hear direct testimony for grant applicants above a dollar threshold prior to formulating final recommendations.
- ▶ **Training Program Development and Delivery:** OSD staff will work collaboratively with successful grant applicants and identified training providers to develop a curriculum in line with the outcomes identified in the grant application. The OSD staff may engage workforce partners to assist employers in recruiting potential students for training programs when requested by employers.
- ▶ **Closing out the grant:** Following the fulfillment of identified outcomes in the grant, OSD staff will close out grants, ensuring that all payments are in line with relevant state and federal regulations and responding to any audit requests.
- ▶ **Ongoing Program Evaluation:** OSD staff will track graduates of training programs funded through Wisconsin Fast Forward to establish a cumulative return on investment.





### Wisconsin Fast Forward Outreach & Education

The Office of Skills Development (OSD) conducted over 70 outreach and education events throughout Wisconsin that resulted in employer applications from 35 counties in the initial round of Grant Program Announcements ending December 16, 2013. If you would like OSD to speak at your event about Wisconsin Fast Forward and how it can benefit Wisconsin companies, go to <http://dwd.wisconsin.gov/wff/contact.asp>.





## Office of Skills Development

The Office of Skills Development will oversee Wisconsin Fast Forward worker training grants and serve as a business point of contact. The Office currently consists of:

- **Director Scott Jansen:** Jansen previously served as the Talent Dividend Director at the Greater Milwaukee Committee, where he led an effort to increase education attainment for students and adults in the Milwaukee area. Before that, he worked at AT&T for 27 years, retiring as regional vice president for external affairs.
- **Program Manager Dennis Schuh:** Schuh previously worked briefly in DWD's Division of Employment and Training and served as the Wisconsin Department of Corrections' Executive Assistant.
- **Two grant specialists and a policy analyst** provide additional expertise and support in administering the grant program.

### Purpose

- The Office of Skills Development will **promote collaborations between employers, workforce development boards, economic development organizations, and education providers** to meet employer-identified labor needs.
- OSD will provide a foundation to **ensure that employers are able to leverage grant funds and other resources** to establish a sustainable labor pipeline.
- OSD is developing standards to guide grants awarded through the Wisconsin Fast Forward program.
- OSD will refer **employers seeking assistance** to economic and workforce development resources best able to meet their needs, as well as to traditional and non-traditional education providers.



## Wisconsin Fast Forward

Governor Scott Walker signed the Wisconsin Fast Forward program into law earlier this year with overwhelming bipartisan support of the state Legislature. Wisconsin Fast Forward helps address the state's need for skilled workers. The program creates worker training grants and makes other investments to prepare workers for jobs available today and in the years to come.

### Worker Training Grants

- Wisconsin Fast Forward includes \$15 million in general purpose revenue to **support employer-focused worker training grants**. The Office of Skills Development (OSD), also created in the legislation, is responsible for administration and oversight of the grants.
- **Grants will be awarded to businesses or groups of businesses that demonstrate a specific labor need** that is borne out by labor market information and not met by other education or training programs.
- Successful grant applications will include **partnerships with workforce development boards**, local or regional economic development organizations, and education providers.
- OSD has developed a review process and accountability measures to **ensure that companies demonstrating a significant labor need are able to access the resources they need to add workers and are held accountable to the job creation goals included in the grant**.
- **The Office of Skills Development will closely track workers receiving training under the grant**, measuring jobs filled by unemployed or underemployed workers and any increase in wages for incumbent workers who complete training.



### Labor Market Information System

- DWD is also developing a **labor market information system (LMIS)** that will enhance existing job matching capabilities and will provide real-time information on available job openings and job seekers.
- The new system will provide **automated skill matching functionality and self-assessments to determine an individual's work readiness**. The LMIS will also provide linkages to additional information, including training opportunities and other services as appropriate.



### ***Administrative and Operations calendar of events***

- ✓ **Assembly Bill 14** – introduced February 14<sup>th</sup>; passed February 28<sup>th</sup> (94-4)
- ✓ **Senate Bill 23** – introduced February 15<sup>th</sup>; passed March 5<sup>th</sup> (33-0)
- ✓ **Act 9** – enacted March 13<sup>th</sup>
- ✓ **Office of Skills Development** – first hire on May 6<sup>th</sup>
- ✓ **Inquiry Review Committee** – first convening on July 8<sup>th</sup>
- ✓ **DWD 801** – Emergency Rule public hearing on July 15<sup>th</sup>; emergency rule effective date October 1<sup>st</sup>; Assembly Workforce Committee hearing on October 2<sup>nd</sup>; permanent rule referred to JCRAR on November 4<sup>th</sup>; germane rule modification submitted on December 4<sup>th</sup>
- ✓ **MOU** - signing of DWD-WEDC-WTCS consulting agreement on August 7<sup>th</sup>
- ✓ **Economic Advisor Technical Review Committee** – first convening on August 15
- ✓ **Round 1 Grant Program Announcements (4 announcements)** – announced November 6<sup>th</sup>
- ✓ **Round 1 Grant Applications Received (37 grants received)** – December 3<sup>rd</sup> (Construction), December 10<sup>th</sup> (Customer Services, December 17<sup>th</sup> (Manufacturing)
- ✓ **Grant Evaluation Committee hearings** – recommendations completed January 16<sup>th</sup> and 21<sup>st</sup>
- ✓ **DWD Concurrence Meeting** – recommendations reviewed by SO January 24
- ✓ **Grant Award/Denial letters signed** – January 31<sup>st</sup>
- **Round 2 Grant Program Announcements** – target date of February 12<sup>th</sup>





# READY, WILLING, AND ABLE TO WORK

## Supporting Employers to Hire Workers with Disabilities

### BACKGROUND

People with disabilities are contributing to Wisconsin's workforce in their communities. However, many people with disabilities have difficulty finding jobs, and too often wages are inadequate (in many cases sub-minimum wage) to support independent living while reducing reliance on public benefits.

People with disabilities represent 9% of Wisconsin's workforce. The employment rate for people with disabilities is less than a third than the rate for non-disabled workers. Workers with disabilities annually earn 30% less than workers without disabilities. Overall, 27% of Wisconsin's citizens with disabilities live below the federal poverty line.

Wisconsin employers are demonstrating the benefits of hiring people with disabilities. Walgreens has conducted research showing their employees with disabilities add to the bottom line through increased productivity and reduced staff turnover. Yet Wisconsin employers need supports to overcome misperceptions about liability concerns, to understand the minimal costs of most workplace accommodations and reduce negative assumptions about worker abilities.

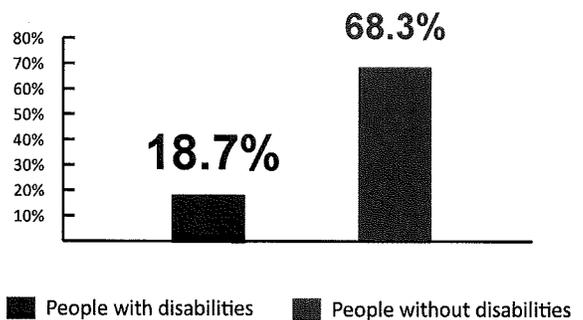
For the 45,000 individuals with disabilities in Wisconsin participating in the state's long-term support system, obtaining employment in integrated community jobs with comparable wages to others is even more challenging. Only 8% of working age Family Care members and 4% of participants in Wisconsin's Self-Directed Support program (IRIS) are working at community jobs with self-supporting wages. Another 11% of long-term support participants participate in facility-based employment, earning on average only \$2.43 an hour.

The Department of Workforce Development's Vocational Rehabilitation (DVR) program successfully supported 3,250 people with disabilities entering the workforce in 2012. DVR provides a specialized service called Supported Employment to people with disabilities to help with accommodations and other necessary supports on the job.<sup>1</sup> Workers with disabilities who received DVR support have an average wage of \$12 an hour, and are projected to earn \$56.4 million annually - a 210% return on taxpayer investment. Yet more than 4,000 individuals are on the program's wait list.

Improving integrated community job opportunities enables people with disabilities to contribute to local economies, more fully participate in their local communities, lifts them out of poverty, and reduces overall reliance on public benefits.

<sup>1</sup> Supported employment is an evidence-based approach to helping people with disabilities participate in competitive work in integrated work settings. Nationally, supported employees generated a monthly net benefit of \$251.34. For every dollar of costs to taxpayers in funding supported employment, taxpayers received an average of \$1.46 in benefits.

### EMPLOYMENT PARTICIPATION RATES



**LOW EMPLOYMENT RATES:** Despite the fact that 80% of people with disabilities say they want to work, **only 18.7% actually have jobs**, compared to 68.3% of people without disabilities.

Source: Bureau of Labor Statistics, December 2013.

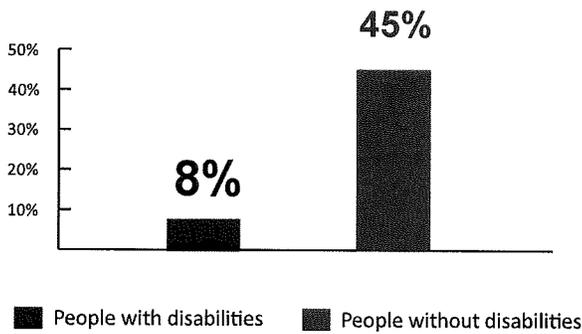
### BENEFITS TO BUSINESS

Businesses and employers of all types are looking for skilled workers and are finding them among people with disabilities.

- Businesses are looking for **skilled workers** to fill open positions and have been struggling to do so over the past few years.
- Businesses **report positive outcomes** from employing people with disabilities. Walgreens has experienced a 120 percent productivity increase at a distribution center made universally accessible for employees with disabilities.
- Global companies like Microsoft and Merck have said that they must **employ a workforce that reflects their consumer base**, which includes people with disabilities.

Source: National Governors Association; "A Better Bottom Line: Employing People with Disabilities, A Blueprint for Governors"; 2013.

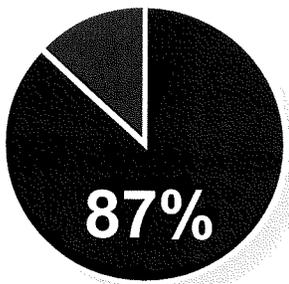
## EMPLOYEES ADD VALUE TO BUSINESS



**QUALIFIED, COMMITTED EMPLOYEES:** Employers realize cost-savings with a more stable, fully-trained workforce. The **turnover rate for employees with disabilities is 8%** in comparison to 45% for other workers.

*Source: 2003 Crain's Chicago Business Survey; Washington Mutual, Inc. Study.*

## EMPLOYING PEOPLE WITH DISABILITIES IMPROVES BUSINESS



**ENHANCED BUSINESS IMAGE:** Targeting the disability community as a customer and labor source provides a competitive advantage. **87% of customers say they would prefer to patronize businesses employing people with disabilities.**

*Source: Siperstein, Romano, Mohler, Parker; "A national survey of consumer attitudes towards companies that hire people with disabilities"; University of Massachusetts, Boston, MA; Journal of Vocational Rehabilitation; 2005.*

## RECOMMENDATIONS

Disability Rights Wisconsin, People First Wisconsin, and the Wisconsin Board for People with Developmental Disabilities recommend the following policy changes to improve job opportunities for people with disabilities in Wisconsin:

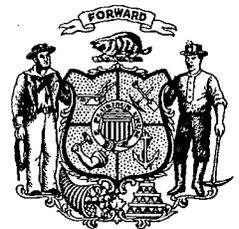
- **Establish performance targets** in state programs that support people with disabilities to continually improve employment outcomes.
- **Require annual reporting** by state agencies on their efforts to improve employment of people with disabilities, including people with the most significant disabilities.
- **Strengthen statewide funding** for employment supports (e.g. benefits counseling, Division of Vocational Rehabilitation's On-the-Job Training, Individual Placement and Supports (IPS) for people with mental illness.)
- **Allow private sector businesses to benefit** from state contracts by changing state use contracting policies to ensure participation by (A) a variety of businesses employing workers with disabilities in integrated settings that pay competitive wage; and (B) supporting small businesses owned by people with disabilities.
- **Develop a business-to-business mentoring** and technical assistance system in which businesses wanting to hire workers with disabilities can connect and consult with similar businesses that are more experienced in hiring and retaining workers with disabilities.

## MORE INFORMATION

For more information, including additional recommendations, contact:

- Beth Swedeen at (608) 266-1166 or [beth.swedeen@wisconsin.gov](mailto:beth.swedeen@wisconsin.gov)
- Lisa Pugh at (608) 267-0214 or [lisa.pugh@drwi.org](mailto:lisa.pugh@drwi.org)





**SUNDAY**

**FEBRUARY 2, 2014**

# **State LINE NEWS**

**A CSI Publication - 1555 Willowbrook Rd., Beloit, WI 53511 - WI 608-365-1663 N. IL 815-389-2722 - [www.stateinews.com](http://www.stateinews.com)**

# PRE-VOCATIONAL PROGRAMS: GETTING A BOOST OR GETTING THE BOOT?



TERRY MAVER/STAFF  
**Tammy Steinert sorts parts for a company that contracts with VIP Services in Elkhorn, a pre-vocational program that employs workers with disabilities. Programs like VIP or KANDU in Janesville might be hurt by a push to change the wage structure for their workers.**

## Will minimum wage plan hurt workers with disabilities?

By IAN GRONAU  
STAFF WRITER

JANESVILLE — Gov. Scott Walker, in his recent State of the State address, said he plans to push a new initiative called “A Better Bottom

Line” that is geared toward getting more Wisconsin businesses to hire people with disabilities like Down syndrome, autism, cerebral palsy and mental illness.

The governor proposes spending \$800,000 by mid-2015 to expand training programs, and local organizations are excited by the new initiative.

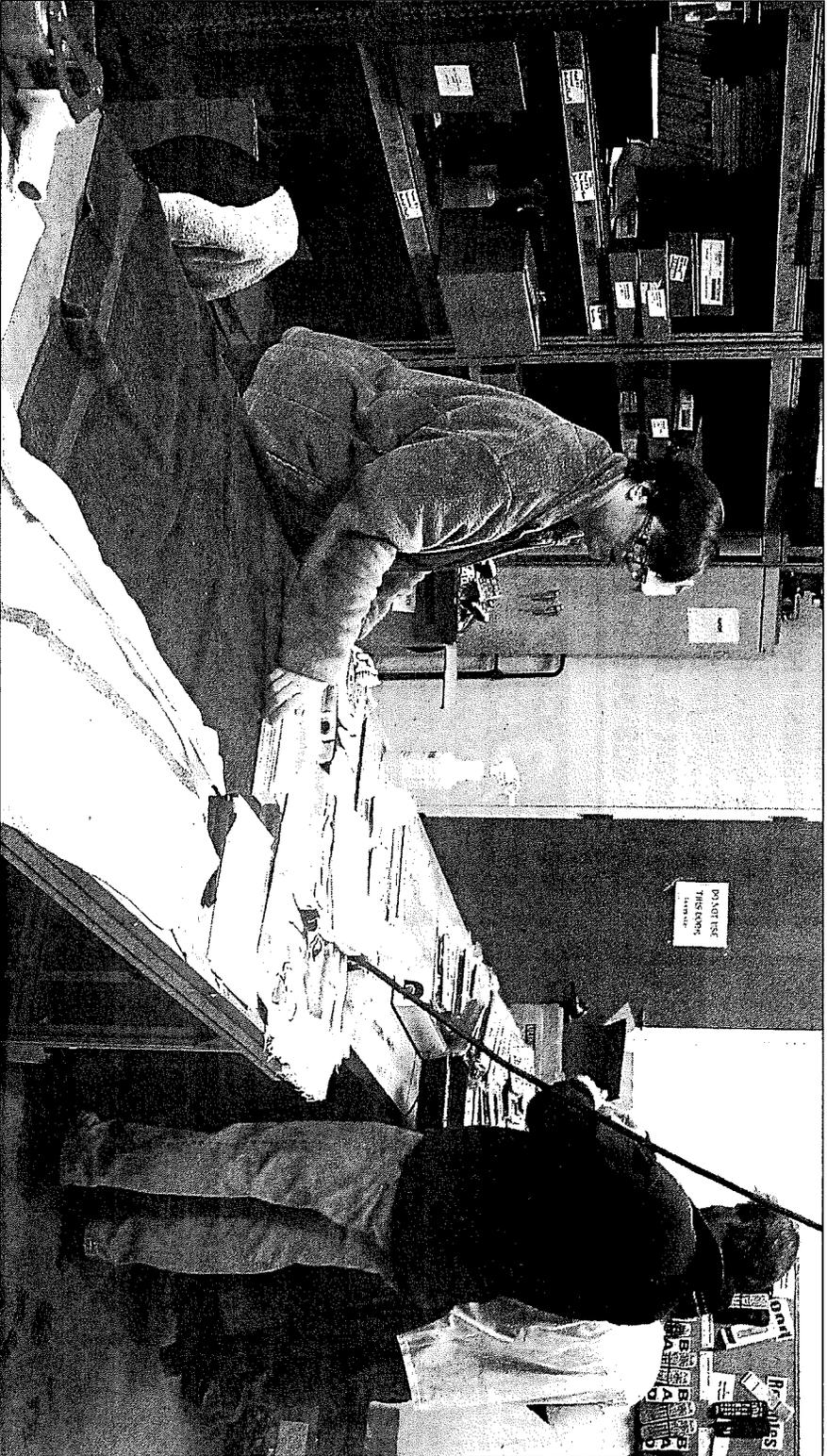
Regardless of the renewed attention, groups like KANDU Industries in Rock County and VIP Services in Walworth County have been

hard at work on the issue for years.

Of increasing concern is a bill introduced in the House of Representatives that would make it nearly impossible for groups like KANDU or VIP to keep their employees on the job.

The Fair Wages for Workers with Disabilities Act, introduced last year by Republican Mississippi Congressman Gregg Harper, would phase out special wage certificates under the

# FROM THE COVER



**Workers at Janesville's KANDU Industries package products for a customer. Gov. Scott Walker has proposed expanded training programs for workers with disabilities.**

IAN GRONAU/STAFF

## WORK

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Fair Labor Standards Act of 1938 under which individuals with disabilities may be employed at subminimum wage rates.

Opponents of what many still called sheltered workshops feel that they subject people with disabilities to unfair circumstances, primarily unjust wages, and they feel that they would be better served fully integrated into regular jobs in the community.

If you ask Gary Bersell, executive director at KANDU, he even finds the term "sheltered workshops" outdated.

"We don't use that term anymore," Bersell said. "We call our programs pre-vocational, sheltered workshop has a very negative connotation; we even get some people trying to call them sweatshops."

Cindy Simonson, executive director of VIP Services, agrees that some of her clients should be integrated out in the regular working world, but it's unrealistic for people who are more severely disabled.

"We have a large community employment department where we actually try continually to get our people jobs out in the community," Simonson said. "It's a fairly complex issue though — one size doesn't fit all. And we have a lot of people that we serve that have complex disabilities that sometimes act as barriers for those people that work against them getting jobs out in the community."

Bersell has found the same results in his experience, not only in his work at KANDU, but as the special education director as well.

"They want all of our clients to be integrated into the community, and I can tell you right now that's not going to happen," Bersell said. "I was with the Janesville public schools for 35 years. I was the director of special education. I went through Public Law 94-142, when we had to integrate everyone in our special classes into regular

classrooms. That didn't work because some of our more severely handicapped people should not be sitting through an algebra class, they should be learning things that are more useful to them, like daily living skills."

### **Subminimum wage**

There is significant friction surrounding the fact that organizations like KANDU and VIP make use of the subminimum wage law in order to function, but both Simonson and Bersell say that they couldn't serve their clients otherwise. Both programs pay a commensurate rate. They start by performing a prevailing wage study for a given task and pay their disabled employees that rate based on their productivity.

"There is talk in Washington about getting rid of the subminimum wage law. There are probably 70 some organizations like us in the state that use that law so we can pay our clients differently," Bersell said. "How it works is we do a prevailing wage study. So let's say that the assemblers out in the community are getting \$10 an hour. Then we put all of our clients who are assemblers through a lab so we can test them to see what their production percentage is. Let's say someone tests out at 50 percent of a non-disabled person, then they would get 50 percent of those prevailing wages."

A big part of KANDU's and VIP's business is contracting tasks that their workers can do with local industries like Hormel, Generac and Cummins.

Much of the work is comprised of assembly, material handling and packaging. But both Simonson and Bersell say an equal part of their mission is to help prepare their clients for working in the community and providing training and resources to help them locate a suitable job.

"The state of Wisconsin is an employment-first state, which means that we have determined that the first option for people with disabilities should be employment in the community in an integrated setting," Simonson said. "As an agency,

we agree with that so our first task is to try to get people integrated employment. Also, because we are a pre-vocational program, we provide other activities and things in addition to our in-house work that help our clients develop the skills they would need, that are non-job specific. We call them soft skills, things like following directions and listening to your supervisor, showing up for work on time and those types of things.”

**How does Wisconsin stack up?**

Time will tell what direction the debate on pre-vocational programs takes, but here in Wisconsin it seems that they are an important and effective component in dealing with the issue of finding suitable employment for people with disabilities. Part of any properly functioning system is oversight, and both KANDU and VIP stand by their track records of compliance and community response.

“They are all good organizations and they meet the needs of a lot of disabled individuals through pre-vocational programs and I think that they are all very good and very needed,” said Sharyn Johnson, executive director of Guardian Friends in Rock County. “I know the state would like to have more commu-



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nity integration, but it’s very difficult for people with disabilities. There aren’t even a lot of jobs open right now for people without disabilities, so the job market is limited. I know that if a person is at a level where they can seek outside employment, these organizations are able to help, and they do it.”

Simonson and Bersell both feel that the issue is complex, but a great safeguard against misconception about what their organizations do is finding out for yourself by visiting.

“If people haven’t been here and see what we do, they really don’t have any understanding at all of the kinds of people that we work with and the kinds of things we do here,” said Simonson. “We are constantly trying to invite the community in to see what we are doing.”

“Come out and see it firsthand,” Bersell said. “That way you can better understand how we serve our clients.”



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