



NANCY VANDERMEER

STATE REPRESENTATIVE • 70TH ASSEMBLY DISTRICT

TO: Honorable Members of the Assembly Committee on Jobs and the Economy

FROM: State Representative Nancy VanderMeer

DATE: February 8, 2022

SUBJECT: Testimony in Support of Assembly Bill 888

Thank you Chairman Wittke for holding a hearing on AB 888 today and thank you committee members, Reps. Magnafici, Armstrong, Dittrich, Rozar and Snyder for your support in co-sponsoring this bill. One of the biggest challenges facing Wisconsin businesses today is the state's severe workforce shortage and their inability to find enough workers to fill open jobs. The shortage has reached a crisis point for employers, impacting every key industry and threatening Wisconsin's future economic growth.

There are numerous factors behind Wisconsin's worker shortage, including demographic trends, Democrat policies coming out of D.C. that encourage welfare and de-value work, the loss of younger workers to migration, and the lack of new people moving to Wisconsin. These challenges have led to a diminished pool of workers that has slowed economic growth, exacerbated supply chain disruption, and forced many businesses across the state to cut production or reduce hours of operations. The labor shortage cannot be fixed overnight and will require a mix of solutions. However, one measure the Legislature can take immediately is to provide additional funding for the state's talent attraction marketing initiative to encourage out-of-state workers to move to Wisconsin for career opportunities and a better quality of life.

Assembly Bill 888 would direct the Evers Administration to use \$10 million in American Rescue Plan Act (ARPA) funds to develop and implement initiatives overseen by the Wisconsin Economic Development Corporation (WEDC) to recruit much-needed talent to Wisconsin. More specifically, the bill requires WEDC to use the funding to attract a highly-skilled, work-ready population to Wisconsin – U.S. military members transitioning to civilian life.

In 2017, Wisconsin Act 318, authored by former Representative Mike Rohrkaste and Senator Dan Feyen, was passed into law. That legislation required the WEDC to develop and implement initiatives for attracting talent to and retaining talent in Wisconsin. Act 318 provided WEDC with an appropriation of \$6.8 million in general purpose revenue in fiscal year 2017-18 to pay for the initiatives. Our current, 2021-2023 budget allocates \$3 million to WEDC for talent attraction and retention initiatives. What's proposed under this bill is a model that this body has successfully utilized before, and I believe there are at least a couple of major organizations that work with job creators that will be able to testify here today on the value of this proposal.

Every year, nearly 200,000 service members leave the military to enter civilian life, and these new veterans often have the skills needed to help address Wisconsin's worker shortage and talent gap. Veterans have proven to be strong performers in the workplace, tend to have high education credentials, and possess tremendous work ethic and leadership qualities. Wisconsin businesses would benefit greatly from tapping into a larger talent pool of veterans who move here to live and work. While allocating new funding for WEDC's talent attraction marketing campaign – focused specifically on veterans – would not be a silver bullet, it would certainly be a key component of a wider strategy to address Wisconsin's workforce shortage crisis. I respectfully ask for your support in moving this proposal forward.



TO: Members, Assembly Committee on Jobs and the Economy

FROM: Rachel Ver Velde, Director of Workforce, Education and Employment Policy

DATE: February 8, 2022

RE: Support for Assembly Bill 888, talent attraction and retention initiatives for veterans

Wisconsin Manufacturers & Commerce (WMC) appreciates the opportunity to testify in support of Assembly Bill 888. I want to thank Representative VanderMeer and Senator Wimberger for authoring this important legislation to provide a key investment in veteran talent attraction and retention in Wisconsin.

WMC is the largest general business association in Wisconsin, representing approximately 3,800 member companies of all sizes, and from every sector of the economy. Since 1911, our mission has been to make Wisconsin the most competitive state in the nation to do business. That mission includes making sure Wisconsin's employers have a capable and willing workforce.

Unfortunately, employers in Wisconsin have severe worker shortages and an inability to fill key positions. According to WMC's most recent *Wisconsin Employer Survey* conducted in June 2021, the biggest challenge facing Wisconsin employers is the workforce shortage, with 86% of employers indicating that they are struggling to hire workers. Moreover, 72% of these employers responded that the workforce shortage is the top public policy issue facing Wisconsin.

The viability of thousands of businesses around the state and the jobs they support are threatened by these worker shortages. Workforce shortages create critical supply chain disruptions. This not only negatively affects employers, but also the prices and availability of goods for consumers throughout Wisconsin. Wisconsin must act to prevent lasting and permanent damage to our state's workforce and overall economy.

The talent attraction program passed by the legislature and implemented by the Wisconsin Economic Development Corporation (WEDC) in 2018 helped shape the perception of Wisconsin to those outside and within the state as a place to grow, learn and thrive. This perception is vitally important to ensure that Wisconsin is recruiting and retaining an active and robust workforce. Particularly, the WEDC program for veteran recruitment was immensely valuable to employers. These veteran workers have proven to be some of the most capable and reliable employees in the workforce.

This bill directs Governor Evers and his administration to use \$10 million in American Rescue Plan Act (ARPA) funds to develop and implement a veteran talent attraction and retention program.

Nearly 200,000 service members are transitioning out of the military every year and Wisconsin should do all that we can to make these service members aware of the opportunities they have in Wisconsin. This includes not only the wide array of work opportunities, but also the numerous resources and programs Wisconsin offers to veterans and their families.

Many veterans already have the training and education needed to work in high demand fields and are able to help fill the current talent gap. Also, when we attract these veterans to live and work in Wisconsin they often bring a spouse and children with them. This creates an additional opportunity for the Wisconsin workforce. This program is a prime opportunity for our state to bring new, skilled workers into our economy at a time when these individuals are looking for new employment and new opportunities.

WMC urges members of the Assembly Committee on Jobs and the Economy to vote in favor of Assembly Bill 888 which would bring new talent to Wisconsin to help employers that are struggling in the current workforce crisis.



Testimony on *Assembly Bill 888* before the
ASSEMBLY COMMITTEE ON JOBS AND THE ECONOMY
February 8, 2022

Wisconsin Economic Development Association

Good morning, Chairman Wittke and members of the committee. My name is Michael Welsh, and I am the Legislative Affairs Director for the Wisconsin Economic Development Association (WEDA). Thank you for the opportunity to testify today in favor of Assembly Bill 888. This important legislation will help address Wisconsin's growing workforce shortage crisis by providing funding for a comprehensive talent attraction program that focuses on military veterans.

I would like to thank Chairman Wittke for holding a public hearing on this bill, as well as Rep. VanderMeer and Sen. Wimberger for introducing AB 888. WEDA certainly appreciates their efforts to address the state's labor crunch.

By way of background, WEDA is a statewide association representing over 425 public and private sector economic development professionals. We are dedicated to advancing economic prosperity in Wisconsin and providing our members with the necessary tools to encourage business expansion, promote private investment, and attract much-needed talent to the state.

As I am sure you have heard repeatedly from local businesses in your districts, one of the biggest – if not the biggest – challenge facing Wisconsin employers today is their inability to find enough workers to fill open jobs. In fact, the shortage has reached a crisis point for businesses in nearly every sector and is threatening Wisconsin's future economic growth. It has resulted in business closures, production stoppages, supply shortages, and longer wait times for consumers.

There are numerous reasons behind the state's worker shortage, including falling birthrates and an aging population, as well as lackluster in-migration rates and younger residents leaving the state for new opportunities. Other workforce obstacles include childcare, affordable housing, and transportation challenges. Unfortunately, there is no single piece of legislation or solution that will adequately address the crisis, but if signed into law, AB 888 will have an immediate impact in attracting new employees to Wisconsin.

This legislation will provide \$10 million in federal American Rescue Plan Act (ARPA) funding to the Wisconsin Economic Development Corporation (WEDC) for the purpose of marketing Wisconsin as a great place to live and work for U.S. service members and their families who are transitioning to civilian life. Almost 200,000 service members leave the military each year, and these new veterans often have the skills, training, and leadership qualities needed to help address Wisconsin's talent gap and provide our businesses with an expanded employee pool.

WEDC's past talent attraction efforts have been successful and illustrates that this approach works. In fact, a survey conducted to determine the impact of WEDC's talent attraction campaign showed the perception of Wisconsin among out-of-state millennials significantly improved in numerous areas, including career opportunities, work-life balance, and raising a family. In addition, 52 percent of those surveyed indicated they would be likely to consider moving to Wisconsin for a job opportunity, which was a significant increase over previous surveys.

WEDA believes this same approach will work to encourage highly skilled, work-ready veterans to move to Wisconsin for career opportunities and a better quality of life. AB 888 will also revive the state's role in talent attraction marketing, which should be a key component in our overall efforts to attract the best and brightest minds to Wisconsin.

In closing, I would again request your support for AB 888 and ask that you pass it out of committee as soon as possible.

Thank you for your consideration.

WAUKESHA COUNTY BUSINESS ALLIANCE

Advocate

Develop

Network

Promote

Testimony on Assembly Bill 888: talent attraction and retention initiatives focusing on veterans

Provided to the Assembly Jobs and the Economy Committee

February 8, 12 p.m.

Waukesha County Business Alliance

Good afternoon. My name is Suzanne Kelley and I am president & CEO of the Waukesha County Business Alliance, a countywide chamber of commerce. Thank you for the opportunity to testify today and convey our support for Assembly Bill 888. We think this bill does two important things – helps to tackle Wisconsin's workforce shortage and supports veterans in finding jobs.

For several years, our organization has pushed for a talent attraction program for the state of Wisconsin. Even as we recover from COVID, workforce development continues to be the number one issue facing many of our employers. Just as before the pandemic, our employers need employees. They cannot find enough workers, despite increasing wages and benefits, to fill open positions. We can change that by continuing a statewide effort to tell our story and attract veterans and their families to Wisconsin.

The Waukesha County Business Alliance has a broad and diverse membership: 1,200 member organizations employing more than 75,000 Wisconsinites. Our members come from a variety of industries, representing everything from sole proprietors to the largest employers in the region.

The workforce shortage is at a critical stage in nearly every one of those businesses. Our members are already in the unreal position of turning down business, unable to fulfil existing orders and unable to grow, due to workforce shortages. Despite that, a recent survey of Waukesha County businesses showed that 85% of businesses plan to expand their workforce in the next three years. In industries like manufacturing, 86% of those companies are already struggling to find employees today.

Wisconsin simply does not have the individuals we need to continue growing. What better way to focus dollars than by bringing in the proud men and women who have served our country and connecting them to job opportunities in Wisconsin.



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Testimony on Assembly Bill 888:

Talent Attraction and Retention Initiatives Focusing on Veterans

February 8th, 2022

Good afternoon, Chair Wittke and members of the committee. My name is Ryan Healy, and I am one of the owners of Superior Crane Corporation. We are an overhead crane manufacturer based out of Waukesha, WI that currently has a team of 94 members. I am also an army veteran. We have the immediate need to add to our team to allow us to properly serve our customers so that is why I thank you for the opportunity to speak on this Bill.

Finding and retaining employees, in my assessment, is the biggest factor facing our team as well as other businesses in Wisconsin currently. This will determine if we are able to be successful or not. We have tried to respond in a pro-active manner to this need by working with local schools at both the high school and college level as well as creating our own program/ curriculum to incentivize and train the next generation of Superior Crane team members. While we are seeing positive results, we view them as long-term plans and they are not correcting our immediate needs for skilled, motivated people that are willing and ready to work.

Therefore, I am here to speak today; Focusing on two items that I am passionate about: Growing my home community, state, and helping my fellow veterans' transition back into civilian life. This transition can be tough, speaking from my own experience. The benefit though is veterans already possess many skills that Wisconsin businesses are looking for. Items like strong work ethic, pride in what they do, leadership skills, the ability to work independently or in a group are just a few that I would like to highlight. Wisconsin has many great resources to offer Veterans, but unless you are from here, people might not know about it. By us actively going to recruit and highlight these programs/resources I see us as being able to do the following:

1. Providing Wisconsin businesses with immediate candidates, to help address the employee shortages.
2. Adding people into our local economy, would allow us to continue our growth in our state.
3. Giving opportunities to heroes in transitioning to the next stage(s) in their life, in a place that we all know is a great place to live.

Many Wisconsin businesses have already adjusted their capabilities to onboard good employees and incorporate them into their established team/culture, even if the veteran's experience does not specifically align for the job task at hand. Getting more qualified people into Wisconsin's employee pool is a win-win for everyone.

Thank you for the opportunity to speak on this today. This bill offers the funding to get Wisconsin's name out as a destination or "home" for our veterans to raise their families as well as help build our economy with a skilled workforce that we so desperately need currently.

Approving of bill 888 is something that we can all be proud to be a part of.

Thank you for your consideration and I hope you have great day.