



LOREN OLDENBURG

STATE REPRESENTATIVE • 96th ASSEMBLY DISTRICT

Assembly Bill 932

Relating to: requiring certain efforts to expand and promote the apprenticeship and youth apprenticeship programs.

Special Committee on Trade & Supply Chain

February 8, 2022

Good morning, Chairman Brooks and committee members. I want to thank you for your willingness to hear Assembly Bill 932.

Last session, and this session, it was my honor to work with members of the Assembly Committee on Workforce Development, and my local CESA's to increase the funding for Wisconsin's Youth Apprenticeship Program. These increases were needed so that we could meet the demand of the students who wanted to participate in the youth apprenticeship program.

Wisconsin is facing a workforce shortage, and among the hardest hit industries are the trades. We can see that this is a clear issue as this was reported by Staffing Industry Analysts, that as of September 2021, 68% of tradespeople have struggled to hire skilled workers, and more than one-third are slightly, or extremely understaffed. Thankfully, Wisconsin has two great recourses for training skilled workers for the trades, and other understaffed industries: the Youth Apprenticeship and Registered Apprenticeship programs.

Assembly Bill 932 directs \$20 million in American Rescue Plan Act (ARPA) funds to the Department of Workforce Development for the promotion of the apprenticeship programs in Wisconsin. There are four components of this bill:

1. Expanding the availability of apprenticeship programs by increasing the number of approved programs and participation in existing programs, as well as expanding the trades in which approved programs are available.
2. Promoting the Youth Apprenticeship Program, particularly for schools that have little or no participation in the program. Unfortunately, participation growth in the program declined or remained stagnant throughout the pandemic.
 - a. This could be especially helpful in rural areas of the state.

3. Directing additional funding toward the Apprenticeship Completion Award Program (ACAP) which partially reimburses eligible apprentices or sponsors for reimbursement of costs associated with a Wisconsin registered apprenticeship.
4. Providing funding to bridge connections between the Youth Apprenticeship Program and apprenticeship programs.

We all know that Wisconsin businesses are struggling to find workers, and the use of ARPA funds could boost the Registered Apprenticeship and Youth Apprenticeship programs. An increase in participants in the state's apprenticeship programs will lead to having more skilled workers in the state.

Thank you again, Chairman Brooks, for hearing Assembly Bill 932.



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DATE: February 8, 2022
RE: Testimony on Assembly Bill 932
TO: Members of the Committee on Trade and Supply Chain
FROM: Senator Rob Stafsholt

Thank you Chairman Brooks and members of the Assembly Committee on Trade and Supply Chain for hearing Assembly Bill 932 relating to requiring certain efforts to expand and promote the apprenticeship and youth apprenticeship programs.

The number of people going into the trades has been steadily declining for years and it has become increasingly more difficult for employers to find and hire skilled workers. The pandemic has only made this shortage more apparent due to the increased demand for home services and government incentives for workers to stay home.

This bill would utilize \$20 million in federal ARPA funds to increase the number of approved apprenticeship programs, promote the Youth Apprenticeship program in schools that currently have little or no participation, direct additional funding to the Apprenticeship Completion Award Program, and provide funding to bridge the connections between the Youth Apprenticeship Program and apprenticeship programs.

This is a common sense bill that will encourage more people to enter the trades and maintain family-sustaining income through rewarding employment.

Again, thank you for allowing me to submit testimony on Assembly Bill 932. I would appreciate your support on this piece of legislation.



TO: Members, Assembly Special Committee on Trade and Supply Chain

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

DATE: February 8, 2022

RE: Support for AB 932, requiring efforts to expand and promote apprenticeships

Wisconsin Manufacturers & Commerce (WMC) appreciates the opportunity to testify in support of Assembly Bill 932. I want to thank Representative Oldenburg and Senator Stafsholt for authoring this legislation to promote and expand apprenticeship opportunities.

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 ready 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 also 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 take action to prevent lasting and permanent damage to our state's workforce and overall economy.

WMC believes Wisconsin's apprenticeship programs provide real value not only for the participants, but also for employers. Registered apprenticeships provide hands-on training, education and ultimately a nationally-recognized certification to participants while they work for an employer and receive wages. This program is a great opportunity for employers to have new, dedicated workers and increase the skills of their workforce. Youth apprenticeships are one or two year programs during a student's junior or senior years of high school. This program provides mentored on-the-job work experience, along with related classroom instruction. More than 75% of these youth are offered full-time positions by the employer where they are working, which makes this program a great recruiting tool for employers¹.

¹ <https://dwd.wisconsin.gov/apprenticeship/ya-employers.htm>

But, more can be done to expand these apprenticeships into additional careers. AB 932 requires Governor Evers to allocate \$20 million in American Rescue Plan Act (ARPA) funds to the Department of Workforce Development (DWD) to increase participation in the programs, increase the number of approved programs, promote youth apprenticeship to school districts that are underutilizing the program and provide linkages between the apprenticeship programs. WMC is particularly glad to see this bill focus on expanding the youth apprenticeship program. Too often we hear that young people and employers have never heard of this program or they do not understand the benefits of youth apprenticeship. We need to be sure that students are presented the wide array of options available to them in order to prepare them for future careers.

When the worker shortage is as dire as the current environment, employers need every tool in the toolbox to attract workers. Assembly Bill 932 is a good step forward to raise the awareness of apprenticeships and increase participation in these programs. WMC urges members of the Assembly Special Committee on Trade and Supply Chain to support this important legislation.