



# TREIG E. PRONSCHINSKE

STATE REPRESENTATIVE • 92<sup>nd</sup> ASSEMBLY DISTRICT

## Testimony on Assembly Bill 941: Commercial Driver Recruitment Program

Thank you Chairman Brooks and members of the Assembly Special Committee on Trade and Supply Chain for allowing me to speak on this important bill. I look forward to discussing how this legislation will benefit and protect the citizens of Wisconsin.

Truckers are a vital part of our economy. They feed our households, bring fuel to our pumps and sacrifice time with loved ones for our well-being. However, we are currently seeing a vast truck driver shortage that is negatively affecting our supply chain and increasing the price of goods across the board.

This bill would require the Wisconsin Department of Transportation to establish three programs related to increasing the numbers of individuals with a Commercial Driver's License, more commonly known as a CDL. One of these programs would provide scholarships to individuals who enroll in commercial motor vehicle courses. Another program would provide grants to employers that provide any sort of training to someone in receiving their CDL. Finally, there would be a Commercial Driver Recruitment Program where the Department of Transportation would provide a \$500 grant to drivers who recently obtained a CDL and have been employed for a year along with providing \$500 to the employer of these individuals.

Being a trucker provides a great opportunity for many people and allows them to travel and set their own schedule as well as provide for our state. In a way this job is more about public service than our own as legislators. Truckers transported 71.6% or \$10.4 trillion of all goods shipped in the United States in 2017, which is the last year there was data available according to the U.S. Census Bureau's Commodity Flow Survey.

The American Trucking Associations' (ATA) Chief Economist Bob Costello is also concerned as the truck driver shortage has reached 80,000 drivers. The CEO of the ATA, Chris Spear, estimates that this is not only an all-time high in driver shortages, but that this shortage has increased roughly 30% since the start of Covid-19. This bill seeks to provide a stepping stone to help improve these staggering statistics and incentivize people to obtain a CDL. This critical piece of legislation is needed now, not a year from now. As can be seen across the country, including here in Madison, there have been shortages on everything from chicken to car parts. As we attempt to remedy the damage of Covid-19 and its after effects on our society, an essential step forward is getting drivers back on the road.

Again, thank you for your time and consideration of this important legislation and I look forward to answering your questions.



STATE SENATOR

**Eric Wimberger**

DISTRICT 30

## **Testimony on Assembly Bill 941**

*Assembly Special Committee on Trade and Supply Chain*

*Tuesday, February 8, 2022*

Chairman Brooks and Members,

The United States is economically strained. Our store shelves are becoming empty and the worker shortage is putting pressure on every business to keep their doors open. Prices are going up and the workforce is dwindling. We can blame horrible policies coming from Washington, government incentives to stay unemployed or any number of other reasons, but in the end, it is our friends and neighbors who are struggling and looking for answers.

For the first time in our lifetime, the supply chain across the country that brings products to market has become strained in some areas and simply broken down in others. An unprecedented shortage of truck drivers is a contributing factor to backlogs and the rising cost of goods.

Although trucking companies are working tirelessly to recruit and train drivers, they are unable to keep up with growing demand and driver retirements. Even with higher wages and heavy recruitment, the American Trucking Association estimates the shortage, as of October, was 80,000 drivers, an all-time high and nearly a thirty percent increase in pre-pandemic levels. And worse, they believe that shortage could double in the next eight years.

The problem isn't getting better, it's getting worse. But the legislation before you will address this challenge today. By establishing three different programs within the Department of Transportation, a tuition scholarship for commercial driver students, an employer training grant program and a driver recruitment program, we will provide a reasoned and proven method to address this shortfall.

New commercial driver students will be eligible for scholarships to help pay for up to half of the cost of tuition for CDL classes. Scholarships and other incentives have long been used to increase enrollment in classes and training when a critical need arises. In professions ranging from nursing to technical vocations, scholarships that defray the cost of schooling have proven to raise enrollment and interest in those jobs.

The employers who must train the tens of thousands of new drivers needed in Wisconsin will also get assistance. Trucking companies and driver schools will train the new recruits, but the cost to get them on the road is high. These employers will be eligible for grants to help get the trucks rolling again. And finally, additional grants to newly trained drivers and their employer will provide an incentive for them to keep driving and continue their new career on the road.

Our economy is facing many challenges. There may not be a silver bullet to get it right again, but this legislation directed toward our transportation industry is an important step forward.

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# WMC

Wisconsin's Chamber

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

**FROM:** Evan Umpir, Director of Tax, Transportation, and Legal Affairs

**DATE:** February 8, 2022

**RE:** Support for AB 941, Relating to: a commercial driver recruitment program.

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Wisconsin Manufacturers & Commerce (WMC) appreciates the opportunity to testify in **support of Assembly Bill (AB) 941**. WMC supports this proposal as it addresses an existing and ongoing critical need.

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 advocating for legislation like AB 941 that promotes the training of needed skills for employment in a critical sector of the economy.

In 2019, Wisconsin shipped nearly 584 million tons of freight by all modes of transportation led by **shipments via truck at more than 368 million tons with a value of \$354 billion** across Wisconsin's more than 115,000 miles of public roads.<sup>1</sup> During the pandemic, the transportation sector kept Wisconsin and the nation moving vital goods and materials, including Personal Protective Equipment, to their destinations. Wisconsin's freight-dependent sectors, manufacturing, agriculture and forestry, retail, and construction, all rely on the movement of raw materials, finished goods, and other supplies and products around, into, and out of the state.

The national **truck driver shortage currently stands at 80,000 and is projected to double to 160,000 by 2030** based on driver demographics and expected freight growth.<sup>2</sup> Overall though, in the next decade, the trucking industry will **need to recruit nearly one million new drivers**. In Wisconsin, as of February 7, 2022, there were 3,257 job openings listed on the Job Center of Wisconsin website for "Heavy and Tractor-Trailer Truck Drivers." While that statistic is not a perfect representation of the exact need for Commercial Driver License (CDL) truck drivers in our state, it is clear evidence of the need that AB 941 can quickly and easily address.

The bill addresses this challenge by targeting students and employers for training and incentivizing retention once drivers are on the job by creating three grants:

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<sup>1</sup> Wisconsin Department of Transportation, *Wisconsin Statewide Commodity Flow (Tons and Value by Mode)*, 2019, available at: <https://wisconsin.gov/Documents/doing-bus/freight/flow2019.pdf>.

<sup>2</sup> *Driver Shortage Update 2021*, American Trucking Associations, Inc., Oct. 25, 2021, available at: [https://www.trucking.org/sites/default/files/2021-10/ATA%20Driver%20Shortage%20Report%202021%20Executive%20Summary.FINAL\\_.pdf](https://www.trucking.org/sites/default/files/2021-10/ATA%20Driver%20Shortage%20Report%202021%20Executive%20Summary.FINAL_.pdf).

1. For students, or potential students who may be on the fence due to the cost of tuition, the first grant creates a 50% scholarship to pay for that tuition. CDL training programs have very high placement rates after graduation. This student-eligible grant will help remove barriers due to cost that may give potential CDL trainees hesitation, especially a near-guarantee of a driving position upon successful completion of the training course.
2. The employer-training grant provides the same 50% grant (capped at \$3,000) for employers who train their own drivers. This option will get individuals directly into the driver pipeline and meeting employers' exact needs upon successfully completing the training program.
3. Retaining drivers is crucial to have a sustained impact on the driver shortage. The \$500 retention bonus may go to drivers who are employed, using their CDL, for at least a year. Likewise, \$500 will also go to the employer for retaining the driver. Developing a good relationship between employers and drivers will help foster long-term employment in the industry.

There is no one, single solution to addressing the shortage of CDL truck drivers, but this bill will have a direct impact on the industry by setting up students for employment, reducing the entry-costs associated with CDL training, and incentivizing retention in an already-hurting, vital industry.

Thank you for your consideration. I am happy to answer any questions.

Good morning. I'm Tim Norlin, the Vice President of Driver Employment with Roehl Transport. I've been with Roehl since May of 2017. Prior to joining Roehl, I've held similar roles in driver training and recruitment since 1996 and have been employed in the industry since 1988. I hold a Bachelor of Business Degree in Transportation and Logistics.

While it's always been a challenge to attract and retain commercial truck drivers to our industry, in my 34 years in the industry, I've never seen anything close to the labor challenges we face in the transportation arena. In 2022, the American Trucking Associations estimates we are currently short 85,000 truck drivers nationwide. That shortage is estimated to reach 160,000 by the year 2030.

There are a variety of reasons why we are facing a driver shortage. In part, it is due to the retirement rate of truck drivers. The average age of a professional driver today is 56 years old. The job itself is challenging with drivers spending days and sometimes weeks away from home. Many of today's young adults entering the workforce aren't interested in spending days away from family and friends.

Many employers within the trucking industry, including Roehl Transport, have increased wages and reduced time away from home. In the case of Roehl, over 50% of our drivers are home weekly or even daily.

I am here to voice support to Assembly Bill 941. Roehl Transport has been operating a CDL Training program since the early 1990's and we hire graduates of CDL training schools that provide a minimum of 160 hours of training and meet the new Entry Level Driver Training standards that were enacted yesterday, February 7<sup>th</sup>. We started the Roehl Driver Training Center, an accredited CDL training school which operated until 2015. Because Federal regulations require a commercial driver operating in interstate commerce to be 21 years of age, nearly all our training involves individuals moving into trucking from another trade or industry. One of the challenges we have faced over the years is that most can't afford to go 3-4 weeks without a paycheck while undergoing training to be a commercial driver. In 2015, Roehl created the Get Paid To Get Your CDL program, an on-the-job training program where candidates for our training program become an employee from day one and are paid to learn to be truck drivers. There are no fees for this training. We ask candidates in the program to drive for

Roehl for a period of time in return for the training. We offer this program as a means to attract new drivers into the industry and to Roehl specifically.

By offering scholarships, grants and incentives to employees and employers, you will be helping increase the number of commercial Class A truck drivers within the state of Wisconsin by attracting people into this high paying professional career.

Thank you.





# WISCONSIN

MOTOR CARRIERS ASSOCIATION

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February 8, 2022

To: State Representative, Robert Brooks  
Chairman, Assembly Special Committee on Trade and Supply Chain

Re: Support for AB 941 (SB 929)  
Relating to a commercial driver recruitment program

Dear Chairman Brooks and Committee Members,

The recruitment and retention of professional commercial truck drivers is a critical element affecting the reliability of the supply chain. This is especially true in Wisconsin where 77% of the state's communities depend exclusively on trucks to move their goods and 94.9% of manufactured tonnage is transported by trucks.

On a national scale, there is an estimated shortage of 80,000 truck drivers. An aging driver workforce coupled with an ongoing pandemic has resulted in an increase of retirements in the industry at a time when consumer purchasing and freight demand continues to rise.

AB 941 creates financial incentives for both commercial drivers and carrier companies that train and employ them. Establishing a commercial driver scholarship program will help eliminate much of the tuition costs that can be a barrier for some individuals attempting to obtain their commercial driver's license (CDL). Reimbursement of carrier company driver training costs through an employer training grant program will help those carriers that have invested in creating their own commercial motor vehicle (CMV) training schools. And the proposed commercial driver recruitment grant program will benefit both CMV drivers, who recently obtained their CDLs and the employers that rely on them.

AB 941 will not single-handedly resolve the issues facing the supply chain. It will, however, be a move in a right direction by providing some financial relief for the drivers and carrier companies that our economy relies on.

PO Box 44849 \* Madison, WI 53744-4849 \* Phone: (608) 833-8200 \* Fax: (608) 833-2875

Wisconsin Movers Association \* Wisconsin Milk Haulers Association \* Wisconsin Motor Coach Association \* Wisconsin Towing Association

The Wisconsin Motor Carriers Association asks for your support of AB 941 and strongly urges the committee's potential passage of this legislation.

Respectfully submitted,



Neal Kedzie, President





**Dr. Morna K. Foy, President**

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**Wisconsin Technical College System  
Testimony on AB 941  
Morna K. Foy, President  
Assembly Special Committee on Trade and Supply Chain  
February 8, 2022**

The WTCS appreciates the proposal (AB 941) to respond to the transportation workforce shortage by addressing financial barriers to individuals earning their CDL. However, the current bill language may unintentionally create a disincentive to enroll in WTCS programs and, potentially, cause confusion for students.

The maximum scholarship amount for students enrolling in a technical college or other approved provider program is set at "50 percent of student's tuition cost for courses..." In contrast, the maximum grant amount for employers who provide a CDL training program for their employees is set at "50 percent of the costs of training the employee in the operation of commercial motor vehicles or \$3,000, whichever is less."

Technical College tuition only covers one cost to students to obtain their CDL. A cost breakdown from Milwaukee Area Technical College is provided as an example.

I'd like to request the following amendment to AB 941 to align the value of the incentive provided (scholarship/grant) regardless of who provided the training and provide a clearer, more transparent incentive for students.

Amend Section 1, as follows

3. From the amounts allocated under sub. (3) (a), the department may award scholarships to applicants under subd. 2 . The amount of scholarship money awarded to an individual student may not exceed 50 percent of the student's tuition, fees, books, materials and other costs to become certified in the operation of commercial motor vehicles or \$3,000, whichever is less. ~~cost for courses that provide instruction in the operation of commercial motor vehicles in which the student is enrolled.~~

Thank you for your consideration. I'm happy to answer any questions.

**MATC Truck Driver Training Program**  
**Program Code: 30-458-1**  
**Estimated Student Fee Schedule**

**Estimated Program Costs to Student\*\***

CDL Permit Preparation Class <i>**This is not a required course** Course helps prepare you to take your CDL learners permit test at the DMV</i>		\$ 66.58
CDL Permit Preparation Class Textbook		\$ 32.50
MATC – Class Tuition – Technical Diploma	\$ 2088.00	
ID Fee	\$ 7.50	
Admin Fee (incl. insurance)	\$ 7.00	
Textbooks (tax included) Delmar's: Tractor-Trailer Truck Driver Training <b>ISBN: 9781111036485</b> Author: Adams Publisher: Cengage L Published Date: 2013	\$ 55.25	
Parking	\$ 25.00	\$ 2182.75
Skid Pad Experience (\$210 cost paid by MATC)		\$ .00
Medical Exams and Tests **		\$ 200.00
Licensing (re-testing is not considered in this estimate)**		\$ 360.00
<b>Estimated Total Cost</b>		<b>\$ 2841.83</b>

These are the costs to the best of our knowledge and control. The fees that are paid to an organization other than MATC are outside our control. You may contact the Wisconsin Department of Motor Vehicles or Concentra directly to confirm the cost of your licensing and screening fees.

**\*\*Costs subject to change\*\***

Supplies required (student responsibility)

- Good gloves
- Flashlight
- Notebook
- Lock for locker

MATC Foundation Scholarship may be available to those who demonstrate a financial need. Please refer to MATC Truck Driver Training Scholarship form.

Veteran's benefits may apply – please contact MATC Veteran's Education Benefits office at 414-297-8363.