



# TREIG E. PRONSCHINSKE

STATE REPRESENTATIVE • 92<sup>nd</sup> ASSEMBLY DISTRICT  
MAJORITY SERGEANT AT ARMS

## Testimony on Assembly Bill 274

Hello Chairwoman VanderMeer, Vice-Chair Hurd, and members of the Committee on Transportation. I want to thank you for giving me the opportunity to testify on Assembly Bill 274 (AB 274). I view this bill as being vital in moving the economy and workforce of Wisconsin forward for years to come.

Over the past few years, we have seen a tragic dip in truck drivers throughout our nation and more specifically, our state. Since the novel coronavirus, many truckers have opted for retirement and there has not been an equal amount of new truckers creating a disparity in the industry.

Everyone here has seen the spike in grocery prices. There has also been a price hike in everyday items at your local Home Depot, Ace Hardware, or Menards. Supply chain issues have regrettably made high prices a new normal for all Wisconsinites and this cannot be the case any longer. AB 274 seeks to amend these very issues.

AB 274 would require the Department of Workforce Development (DWD) to create a commercial driving training grant program. This bill would make it so that DWD could provide grants to people, groups, or employers that provide training that would allow a person to get their commercial driver's license (CDL). Secondly, this bill would meet Federal Motor Carrier Safety Administration (FMCSA) entry-level requirements and add people who complete this training to the FMCSA registry of approved training providers.

The grant money for this program could not exceed 50% of the costs or \$3,000; whichever is less. This bill would also be set to sunset on June 30, 2025.

This bill helps potential employees and employers alike. This releases a portion of the financial burden on a person who is seeking their CDL. This can also act as an incentivization program for employers in bringing people in the workforce.

I've been working on this bill for a couple years now and this session I have made it a point to work with more people and narrow the focus to hopefully get this bill through. This bill will help every one of us. If we curb the supply chain issues throughout the state, all of our lives get easier because the prices of goods go down. Not to mention: this adds participation to workforce which according the Spring Election, over ¾ of the state supports.

I hope you will join me in the supporting this bill and vote to move it to the floor should an executive session happen with this bill in it. Thank you for your time and I look forward to answering any questions you might have.



STATE SENATOR  
**Eric Wimberger**  
DISTRICT 30

*Assembly Committee on Transportation*  
*Wednesday, May 6, 2023*  
**Testimony on Assembly Bill 274**

Thank you Chairman VanderMeer and committee members for allowing me to submit written testimony on Assembly Bill 274. This legislation requires the Department of Workforce Development to establish a Commercial Driver Training Grant Program to increase the number of CDL licensed individuals in the state.

Without the dedicated and skilled truck drivers in this nation, many important time-sensitive products and services would come to a halt and yet, it is estimated that by the year 2030, there will be 160,000 job openings for truck drivers in the U.S. Last year, new federal guidelines were put in place which raised the standard for who can offer CDL training. This made it harder for smaller employers who traditionally could train drivers onsite.

Like many other industries who are competing for employees in this job market, any hurdle to enter the career could deter someone from pursuing it. The current tuition cost for these programs is nearly \$4,000. This legislation will help lower the cost of participating in CDL training programs, increasing the pool of potential employees for this important industry and continuing to make Wisconsin competitive in providing quality, family-sustaining jobs.

Thank you for taking the time to read my testimony.

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Sen.Wimberger@legis.wi.gov

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**Date:** Tuesday June 6, 2023

**To:** Chair VanderMeer, Vice-Chair Hurd, and Members of the Assembly Committee on Transportation

**From:** Department of Workforce Development Secretary-designee Amy Pechacek

**Written Testimony Regarding AB 274**

Chair VanderMeer, Vice-Chair Hurd, and Committee Members, thank you for the opportunity to provide written testimony for information only on AB 274, which requires the Wisconsin Department of Workforce Development (DWD) to establish and administer a grant program for commercial driver's license (CDL) training providers. While DWD favors action to increase CDL training capacity and the number of commercially licensed drivers throughout the state, AB 274 does not address rural and northern regional challenges constraining the supply of drivers, does not advance Wisconsin-based training providers, does not identify funding or establish a funding mechanism responsive to the needs of training providers, and could create burdensome record-keeping mandates for businesses.

Wisconsin's economy broke numerous records during 2022 and that trend has continued through 2023. Wisconsin's unemployment rate reached a new record low of 2.4% in April, with a record low number of people unemployed. The state also posted a record high number of jobs, eclipsing the pre-COVID-19 peak of January 2020. Meanwhile, the state's labor force participation rate of 64.8% stands at 2.2 percentage points higher than the national average. At the same time, initial and existing weekly unemployment insurance claims are continuing at seasonal, historic lows. Participation in Registered Apprenticeship and Youth Apprenticeship are running at record highs. To say that Wisconsinites are not working and are sitting on the sidelines is simply not true.

Wisconsin, like the rest of the Midwest, the nation, and much of the world, is facing a worker quantity shortage. The workforce quantity shortage is a global issue due to demographic trends decades in the making. Baby boomers are retiring, which was exacerbated by the pandemic, birth rates have never been lower, and in the last decade, there has been net zero to negative migration to Wisconsin. DWD has taken a proactive approach to these challenges by working to remove employment barriers, providing training opportunities, and connecting employers with underutilized talent pools.

This approach has been accelerated by the historic leadership of Gov. Tony Evers, who has made an unprecedented investment in people, jobs, and the well-being of our communities through the \$150 million Workforce Solutions Initiative. A total of \$20 million of that funding went toward subsidized employment and skill training opportunities with local employers under the Workforce Advancement Initiative (WAI) in partnership with Wisconsin's 11 workforce development boards. Since inception, WAI has helped more than 2,900 participants connect with services, employment, and training, including commercial driver's license (CDL) training. Due to its ongoing success, Gov. Evers proposed an additional \$26.5 million for WAI in his 2023-25 Executive Budget. In recognition of the shortage of commercial driver's licensed individuals, the governor's budget specifically requires DWD to award local CDL grants.

DWD favors providing CDL grants that expand the capacity for training and increase the number of workers with commercial driver's licenses in the state of Wisconsin. However, a close review of AB 274 raises significant concerns that merit additional consideration. These concerns fall into four primary areas:

- I. The bill does not address rural or northern regional challenges constraining the supply of drivers.
  - a. AB 274 would support only CDL training providers, not trainees. The bill does not require that any of the grant funding awarded to training providers be used to offset the cost to trainees.
  - b. In some parts of the state, such as the Milwaukee area, there are not enough training providers to meet the demand for CDL training. However, often in more rural and northern parts of the state, there are not enough trainees. As written, the bill does not reduce the cost barrier for constituents to participate in a CDL training program.
- II. The bill does not advance Wisconsin-based training providers.
  - a. The bill does not limit the eligibility of training providers to the state of Wisconsin, therefore, any CDL training provider in the U.S. is allowed to apply and be considered for a grant.
  - b. Currently, there are more than 30,000 training entities listed in the Training Provider Registry (TPR), of which just over 600 listed have locations in Wisconsin.
  - c. Grant administration activities such as reviewing applications for completeness, executing grant agreements between awardees and DWD, verifying that training occurred, and reviewing and responding to appeals for any applications found ineligible, would require a significant workload without any additional administrative funding or position authority under the bill.
- III. The bill does not identify funding or establish a funding mechanism responsive to the needs of training providers.
  - a. The bill as drafted does not provide DWD funding for the CDL grants. While the bill creates a new annual GPR appropriation for DWD's CDL training program, no money is included in the appropriation for either year of the 2023-25 biennium.
  - b. DWD cannot award grants to CDL training providers unless there is funding in the appropriation for the grants.
  - c. The bill does increase the supplemental appropriation for the Joint Committee on Finance (JFC) under s. 20.865 (4) (a) by \$1,500,000 in each year of the 2023-25 biennium to provide funding for the proposed CDL training grant program.
  - d. Lacking other guidance in the bill, DWD expects it would need to request funds from JFC under existing s. 13.10 authority. This mechanism is not responsive to the needs of training providers and creates unnecessary bureaucratic steps.
- IV. The bill could create burdensome recordkeeping mandates for businesses.
  - a. Establishing grant award eligibility in terms of applicants' compliance with the federal rules found in 49 CFR Part 380, subparts F and G, includes, but is not limited to requirements for facilities, equipment, and instructor credentials.
    - i. This could require verification from DWD because CDL training providers self-report their compliance.
  - b. Determining grant award eligibility and award amounts could also require significant reporting requirements for the businesses and generate significant administrative costs for DWD. Under the bill, grant amounts awarded may not exceed 50 percent of the training costs or \$3,000, whichever is less, for each individual trained.
    - i. DWD may then request and review applicants' cost reports from businesses to allow DWD to verify the cost to train each individual trainee.
    - ii. Given the potentially large number of eligible applicants nationwide, reviewing costs without additional funding or position authority would be significant and not absorbable by DWD.
    - iii. The bill also does not provide DWD additional administrative budget or position authority, and yet requires the Department to assume responsibilities for initiating, promoting, and administering the grant program. The fiscal impact of this bill is estimated to be substantial and not absorbable by DWD.

DWD welcomes the opportunity for dialogue and engagement regarding efforts to increase CDL training capacity and the number of commercially licensed drivers throughout Wisconsin. Thank you for the opportunity to provide this information.

**Testimony of**  
**Baltazar de Anda Santana – Latino Academy of Workforce Development**  
**To**  
**Assembly Committee on Transportation**  
**On**  
**2023 Assembly Bill 274**  
**June 6, 2023**

Dear Chair Vandermeer and members of the Committee, thank you for the opportunity to testify today in support of Assembly Bill 274.

My name is Baltazar De Anda Santana and I am the Executive Director and Co-Founder of the Latino Academy of Workforce Development (LAWD). The LAWD is a Latino-led nonprofit organization providing South Central Wisconsin's only bilingual and culturally competent workforce training and adult educational services program. Latino Academy's successful education and workforce training model has served over 10,000 Wisconsinites since 2011.

The Latino Academy's core focus is industry-aligned workforce development for Latino and Non-Latino adults and young adults. Our organization works closely with employers and regional workforce development boards to identify high-demand industries where short-term training can place students with good jobs while also remedying Wisconsin's employer workforce shortages.

The Latino Academy developed a Federal Motor Carrier Safety Administration certified Commercial Driver's License (CDL) program as a direct response to the needs of both students and employers. Our CDL enrollments have doubled every year since starting the program in 2016. The Latino Academy offers two different CDL pathways: one for reskilling/upskilling adult workers, and the second pathway for young adults aged 18-24. Candidates are screened for license eligibility and then counseled as they address childcare, transportation and other barriers, resulting in a 95% program completion rate and 80% CDL permit rate. Given that Latino Wisconsinites are the state's fastest growing population, the potential for this program is significant. Our students are eager to fill this workforce gap and recognize that the trucking profession provides a competitive salary and opportunities for career advancement.

The Latino Academy model ensures that students reach their self-identified career goals and includes job shadowing and "mentorships" so that students truly understand the workplace. The curriculum uses industry certified CDL training manuals with assessment for skill mastery,

not simply program completion. Latino Academy staff work with employer partners for twelve months on job search, hiring and onboarding to reduce worker turnover.

This legislation will support our employer partners in their efforts to build a qualified and credentialed workforce and those that partner with the Latino Academy will receive the individualized student-centered approach that is at the core of our workforce training model.

The Latino Academy hopes to eventually establish a Regional Transportation Training Center working with employer partners. This partnership would connect unemployed and underemployed Wisconsin residents with the needed support and training to complete CDL training, find related employment, and quickly onboard with employers to comprehensively address the significant CDL workforce shortages.



# WISCONSIN

MOTOR CARRIERS ASSOCIATION

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Neal Kedzie  
[nkedzie@witruck.org](mailto:nkedzie@witruck.org)

June 6, 2023

To: State Representative, Nancy VanderMeer  
Chairperson, Assembly Committee on Transportation

Re: Support for AB 274 (SB 271)  
Relating to a commercial driver training grant program and making an appropriation.

Dear Chairman VanderMeer and Committee Members,

The recruitment, training and retention of professional commercial truck drivers are 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 in the state.

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

AB 274 creates financial incentives for carrier companies and others that train commercial truck drivers. Creating a commercial driver training grant program will help offset a substantive amount of the costs associated with establishing and operating a commercial driver school. As a result, these schools will be in a better position financially, which will help to ensure their long-term success and availability to those seeking a career as a professional truck driver.

AB 247 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 carrier companies and others who train the drivers that deliver the goods 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 274 and strongly urges the committee's potential passage of this legislation.

Respectfully submitted,

A handwritten signature in cursive script that reads "Neal Kedzie".

Neal Kedzie, President

Cc: Assembly Committee on Transportation Members





To: Members of the Assembly Committee on Transportation

Date: June 6, 2023

RE: **Support for AB 274 – CDL training grant program**

Members of the committee, thank you all for hosting this hearing today to discuss crucial transportation policy and the opportunity to enhance the supply chain and product availability for farmers and consumers. My name is Kirby Wagner, and I serve as the associate manager of government relations for the GROWMARK and FS System.

The GROWMARK and FS System is a farmer owned agricultural cooperative serving almost 400,000 customers across North America, providing agronomy, energy, facility engineering and construction, and logistics products and services, as well as grain marketing and risk management services. Headquartered in Bloomington, Illinois, GROWMARK owns the FS trademark, which is used by member cooperatives.

Insight FS is the retail division of GROWMARK, headquartered in Jefferson, Wisconsin, serving patrons in Wisconsin and Michigan's Upper Peninsula with annual sales of \$300 million.

Insight FS employs more than 450 full-time and seasonal employees across Wisconsin and the Upper Peninsula of Michigan. Of those 450 employees, nearly two-thirds of them are required to obtain and maintain a CDL. A driver is our most challenging position to recruit, hire, and retain, especially since the onset of the pandemic. Unfortunately, this results in our system having more trucks than drivers to drive them.

In addition to driver shortages, the implementation of Entry Level Driver Training (ELDT) requirements makes the process to obtain a license more time and resource intensive. To fully meet our needs, we must recruit drivers by offering a training program that allows them to complete the ELDT requirements. This requires a person dedicated to the program, taking a truck off the road to be available for training, and other operating costs associated with paying someone to train new employees.

The GROWMARK and FS system has already experienced success with a similar initiative in Iowa, where all five of our Iowa-based members received grants to leverage over \$400,000 to train more than 200 drivers in the first year.

AB 274 is important to our industry. Federal requirements heightened the barrier to entry for CDL drivers, limiting an already limited workforce. Farmers, businesses, and other entities who are seeking to implement innovative ways to meet these requirements and grow our state's workforce will greatly appreciate the support that will allow them to continue their efforts.

Wisconsin is dedicated to its people and its workforce. This bill demonstrates a strong commitment to addressing the driver shortage and expanding access to meaningful employment for those who may be interested in pursuing a CDL.

Thank you for your continued support for Wisconsin's agriculture industry and I look forward to your questions.

- **AGRILAND FS INC.** – Winterset | Award: \$327,144 | 137 participants | AGRILAND FS Inc. will provide in-house ELDT A/HM training to new and existing employees to better prepare new and/or existing employees in the fields of Agronomy, Energy, Feed, Grain, Structures, and Turf. Grant funds will help alleviate the barriers of the time it takes to obtain a CDL, the financial costs associated with obtaining a CDL, and a shortage of qualified drivers.
- **Three Rivers FS Company** – Dyersville | Award: \$24,000 | 15 participants | Three Rivers FS will develop a training program to help with the expenses for new and seasonal employees needing a CDL to perform their job. Grant funds will be used for tuition costs for a third-party training provider, Goldline CDL LLC in Manchester. Three Rivers FS is a valued crop nutrient, propane, and refined fuel supplier in northeast Iowa.
- **GROWMARK, Inc** – Shell Rock | Award: \$63,550 | 74 participants | The three retail divisions of GROWMARK, Inc. [GROWMARK FS Midwest, AgVantage FS, and New Century FS] doing business in the northern half of the state serving farmers and rural communities will expand employee recruiting and retention efforts by offering payment of driving school tuition to potential candidates. Program will partner with several third-party training providers across the state following curriculum standards set forth by the FMCSA.

*The GROWMARK/FS System is an agricultural cooperative serving almost 400,000 customers across North America, providing agronomy, energy, facility engineering and construction, and logistics products and services, as well as grain marketing and risk management services. Headquartered in Bloomington, Illinois, GROWMARK owns the FS trademark, which is used by member cooperatives. More information is available at [www.growmark.com](http://www.growmark.com).*

# WMC

Wisconsin's Chamber

**TO:** Assembly Committee on Transportation

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

**DATE:** June 6, 2023

**RE:** Support for AB 274, Relating to: commercial driver training grant program and making an appropriation.

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Wisconsin Manufacturers & Commerce (WMC) appreciates the opportunity to testify in **support of Assembly Bill (AB) 274**. 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 274 that promotes the training of needed skills for employment in a critical sector of the economy.

In 2022, Wisconsin shipped 661 million tons of freight by all modes of transportation with **64% of that freight moving via truck accounting for 67% of total freight value (\$389 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 supplied with 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. According to the draft 2022 Wisconsin freight plan, Wisconsin's roads are "expected to carry almost 632 million tons of freight by 2050, valued at approximately \$699 billion."<sup>2</sup>

In 2022 it was estimated that **78,000 drivers were needed to close the gap between current employment and optimal number of drivers to meet demand.**<sup>3</sup> Overall though, in the next decade, the trucking industry will **need to recruit more than one million new drivers**. In Wisconsin, as of this morning, there were just shy of 2,400 job openings listed on the Job Center of Wisconsin website for "Heavy and Tractor-Trailer Truck Drivers" and nearly 5,600 "CDL Truck Driver" jobs listed on Indeed.com in Wisconsin. The evidence is clear that there is a great demand for drivers which AB 274 can quickly and easily address.

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<sup>1</sup> *Draft 2022 Wisconsin State Freight Plan*, Wisconsin Department of Transportation, available at: [https://wisconsinstatefreightplan.com/docs/WisDOT\\_StateFreightPlan\\_Report\\_DRAFT\\_28Nov22.pdf](https://wisconsinstatefreightplan.com/docs/WisDOT_StateFreightPlan_Report_DRAFT_28Nov22.pdf).

<sup>2</sup> *Id.*

<sup>3</sup> *Driver Shortage Update 2022*, American Trucking Associations, Inc., Oct. 25, 2022, available at: [https://talkbusiness.net/wp-content/uploads/2022/10/ATA\\_Driver\\_Shortage\\_Report\\_2022.pdf](https://talkbusiness.net/wp-content/uploads/2022/10/ATA_Driver_Shortage_Report_2022.pdf).

The bill will aid with the cost of providing training with the goal of being able to provide more slots for CDL students. To be eligible, trainers must be compliant with federal obligations and listed on the federal Training Provider Registry and successfully graduate the student for which the application is filed. The program will benefit students seeking CDL training by stretching private and public dollars further allowing more slots to open for students, aid trainers, both independent and in-house, that provide instruction, support the businesses who employ truck drivers and rely on trucks for the movement of goods through the supply chain, and ultimately benefit all of us, consumers, by bolstering this sector of the economy responsible for moving components and finished products we use in our every day lives.

Additionally, this bill builds upon 2021 AB 941, which similarly sought to increase CDL training, by housing this training grant under the Department of Workforce Development, not the Department of Transportation as in last session's bill, thereby addressing one of the Governor's veto objections.

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 by stretching training dollars farther to increase opportunities for students.

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



Wisconsin State Legislators,

Wisconsin is experiencing a significant shortage of commercial vehicle drivers. In early 2023, the State of Wisconsin jobs board listed over 2,500 open jobs for CDL holders.

In 2022, the Biden Administration put into effect new rules that raised the standards for who can offer CDL training. This change placed an additional burden on smaller employers who could previously train drivers on-site. These changes went into effect when the trucking industry continues to face workforce trends that indicate a severe driver shortage in the coming years due to retirements, industry expansion and difficulty attracting talent.

AB 274 is designed to address this shortage by accelerating the training of new CDL drivers. The proposal requires the Department of Workforce Development to establish a commercial driver training grant program to offset the CDL shortage and work to fill these critical roles.

This bill provides to an applicant provider a grant of \$3,000/individual trained or 50% of training cost, whichever is less. In order to qualify:

- The training provider satisfies the federal requirements found in 49 CFR 380, subparts F and G
- The individual who is the subject of the application would use the program to obtain training to earn their initial CDL.
- The individual who is the subject of the application has not received other scholarships for the same training they would receive under the program.

CDL for Wisconsin is a coalition made up of employers from multiple industries including manufacturing, agriculture, community organizations, and trades, whose goal is to work with policy makers to address the current truck driver shortage in our state.

We ask you to join us, and help us attract more CDL drivers in Wisconsin. Drivers have the opportunity to earn a family-sustaining wage. In addition, their work is critical to our infrastructure across the state.

Sincerely,

Latino Academy of Workforce Development  
Wisconsin Manufacturers & Commerce  
Wisconsin Motor Carriers Association  
Wisconsin Towing Association  
Wisconsin Milk Haulers Association  
Wisconsin Motor Coach Association  
Wisconsin Movers Association  
Workforce Development Board of South  
Central Wisconsin

Wisconsin Beverage Association  
Wisconsin Farm Bureau Federation  
Cooperative Network  
Wisconsin Corn Growers Association  
Wisconsin BioFuels Association  
Wisconsin Pork Association  
Wisconsin Cattlemen's Association

**Contact:**

**Peter Welch | [peter@thewelchgroup.org](mailto:peter@thewelchgroup.org) | 608.819.0150**

Prepared by The Welch Group, 2023

**\$3,845/year**

avg. tuition rate for CDL training in WI\*\*

**95%**

of all manufactured goods travel by truck

**160,000**

Nationwide Driver Shortage by 2030\*

**57 years old**

is the median age of a fleet driver

**2nd highest**

profession for future employment

**6,590**

projected job openings annually

Sources:

\*<https://freighttech.us/what-is-causing-the-truck-driver-shortage/>

\*\*<https://ratings.freightwaves.com/cdl-training-in-wisconsin/>